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 [/communitybankbuderim/](https://www.facebook.com/communitybankbuderim/)

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Bendigo and Adelaide Bank Limited ABN 11 068 049 178, AFSL/Australian Credit Licence 237879 A1429506 OUT_47379236 01/10/2025

Annual Report 2025

Buderim Community
Enterprises Limited

Community Bank
Buderim
ABN 62 136 810 074



Community Bank Report 2025

BEN Message

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

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

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

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

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

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

Justine Minne

Head of Community Banking, Bendigo Bank

Community Bank Network: Embracing Our Guiding Principles

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

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

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

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

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

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

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

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

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

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

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

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

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

Community Bank National Council



Making good things happen

When you bank with us, profits pour into the community. **\$40,509 this year.**
Here's who we've helped lately:

Story Dogs

Buderim Craft Cottage

Buderim Wanderer's FC

SC First Aid Volunteers

St Marks Church Buderim

SC Literacy

SC Art Group

Buderim Positive Business Network

Buderim Rebels Hockey Club

Hot Ginger Choir

Playgroup QLD Messy Play

Buderim Garden Club

USC Little Athletics

USC Rip City Basketball

Wishlist

Buderim Bowls Club

SC Hockey

Buderim Mountain State School

Mountain Creek Junior Australian Football

Find out more. Call 5456 2094 or search
Bendigo Bank Buderim.





Making good things happen

When you bank with us, profits pour into the community. **\$40,509 this year.**

Here's who we've helped lately:

Buderim Community Carols

Buderim Men's Shed

Coastal Caring Clowns

Buderim Library

Bloomhill Cancer Care

Rotary Club of Buderim

Buderim Chamber of Commerce

Buderim Lions Club

Maroochydore FC

Dogs Day Out

Buderim Firebirds

Australia Day Event

Buderim Historical Society

QLD Flood Appeal

Pioneer Cottage

BWMCA

Jazz in the Park

Royal Flying Doctors Service

University of the Sunshine Coast

Find out more. Call 5456 2094 or search Bendigo Bank Buderim.



Dividend Payment history

Dividend to shareholders			
Financial Year	Amount Per Share	Franking Level*	Date Paid
2022/2023	.07	Nil cents	January 2024

Equal Reduction of Share Capital

Equal Reduction of Share Capital Payment to shareholders			
Financial Year	Amount Per Share	Franking Level*	Date Paid
2023/2024	.07	Nil cents	January 2025

Report of Sponsorships & Contributions

Financial Year	Community Contribution	Value
2023/2024	Sponsorship and Donations	\$34,647
2024/2025	Sponsorship and Donations	\$40,509

Annual Report 2025

Buderim Community
Enterprises Limited

ABN 28 136 810 074

Community Bank Buderim

Chair's report

For year ending 30 June 2025

It is again my pleasure, on behalf of the Board of Buderim Community Enterprises Ltd (BCEL), to present the annual report for the 2024/25 financial year.

After a sound financial result in the previous year, the 24/25 year finished with an almost identical result with net profit after community contributions and tax rising by \$961 to \$177,545. This was achieved after community contributions increased by almost \$6,000.

The year has seen an increase in net assets of \$121,362 to \$460,550 and cash reserves increasing by \$200,442 to \$410,122.

Overall, the Company has performed well with the potential to further improve into the future.

In October 2024, we lost a wealth of information and BCEL history with the death of Mr. Geoffrey Hole. Geoffery was the last remaining member of the original board which established the company in 2010. His wise counsel and in-depth knowledge of BCEL history and operation will be missed.

During the year, we gained the expertise of a new Board member, Mr. Chris Wordsworth. Chris' background in journalism and community radio broadcasting will be a great asset to build the Board.

We had a change of Manager just after the end of this financial year with the resignation of Mr. James Gibson. A new manager, Mr Darryl Stevenson, has since been appointed and we wish him well in his endeavours. Our rock in the office has continued to be Ms. Debbie Podolczak who continues to provide the point of contact with existing and potential borrowers. Debbie took on a huge extra workload during the year. We have also employed two new staff, Matt and Hannah, to provide counter service and further increase our lending capacity.

Community Bank Buderim has two major points of difference when compared to the major banks. The first difference is our support of local community events, not for profit organizations, and sporting clubs. We continued to increase our funding and now are the major sponsor of all the major events in Buderim Park, including Jazz in the Park, Dogs Day Out, Christmas Carols and Australia Day. It is a case of the more support we have from the community, the more funds we will have to distribute back into the local community.

The other difference is our commitment to continuing to operate a Bank in Buderim and to maintaining face-to-face personal service. Customers can talk directly to qualified staff rather than a machine. This commitment to maintain a physical presence and customer service will be maintained by BCEL in Buderim while other banks continue to reduce staff or totally leave the town. The commitments to support local charities and continue with face-to-face staff are ongoing commitments.

It is with regret that I announce that this will be my last Annual Report as I leave the position as Chair and Board member due to ill health. I can say that my experience as Chair over the last nine years has been an enjoyable one and particularly satisfying, overseeing the Company establish a profitable and sustainable position. It has been a pleasure chairing such a committed and cooperative group.

I welcome the appointment of Ms Lara Higson as the new Chair of BCEL. Her knowledge of business and commitment will ensure a bright future for BCEL. I am sure you will welcome her to the new position and continue to give her the same support that was given to me.



Rick Beasley
Chair
Buderim Community Enterprises Ltd

Manager's report

For year ending 30 June 2025

I am pleased to present my annual report for Community Bank, Buderim. It has been a challenging year with a number of changes and highlights for the branch.

CHANGES IN THE BANKING LANDSCAPE - There is always changes within the banking sector which we must adapt to. Updates to technology and protecting our customers against scams has become a constant challenge for the bank. With scams now affecting over 3.5 million people last year, this is having a major impact on protecting our customers and what we can do to help protect our customers. We have gone out and done presentations to local groups to help educate and inform our customers and how to protect themselves.

We have continued to meet our customer commitment, providing a personalised, face to face service in the branch and a local phone number that brings them through to a local staff member when they need to call.

FINANCIAL PERFORMANCE – We have maintained a steady growth in the last financial year with an increase in our overall footings, helped along by a strong growth in our deposit funds. Our financial growth has remained steady over the past 12 months. Interest rates and margins will make more of an impact in the next 12 months so we need to ensure we continue to offer that exceptional service and confidence out in the community. With the closure of CBA in the past 12 months this has also helped see a growth in our customer base.

LOANS GROWTH – The last 12 months has been a challenge. With only 1 lender in the branch for majority of the year it has been harder to achieve targets. With people trying to reduce debt rather than borrow this has also proved a challenge. Cost of living has impacted a lot of people so moving forward into the next year we need to ensure our lending strategies and customer relationship management is primary consideration to retain our customer base and grow.

WELCOME TO NEW STAFF MEMBERS – In the past 12 months we have seen a number of changes to our staff. Callie returned from maternity leave but has now moved on to Marcoola branch to further her career. We have a new Customer Relationship Officer Hannah, who has joined us from Tasmania. We also have a new Customer Relationship Officer Matt who was previously

at our Tewantin branch. Both staff members bring great experience to the branch and this will further support our customers.

We have lost our manager James who has moved on to other things. A new manager has been appointed and commenced in September. Welcome to Darryl.

COMMUNITY CONTRIBUTION – We have continued to stay true to the commitment of supporting our community. Buderim Community Enterprises have once again supported community events such as , Jazz in the Park, Buderim Community Carols, Australia Day celebrations. Some new events this year were the Buderim Mountain State School 150 year celebrations, and the return of the Buderim Street Party (which was in August) With many other not for profits and community groups benefiting from community contributions it has been a busy year.

The branch also celebrated 15 years service to the local Buderim Community. This would not have been achieved without the support of our customers.

Before I finish I would just like to thank the Board of Directors of Buderim Community Enterprises Limited. These people volunteer their time and put in many hours of unpaid work to ensure the branch can continue to support the local Buderim community.

In the past 12 months we have lost one of our long-term directors in Geoffrey Hole who sadly passed away. We will definitely miss his smiling face behind the popcorn machine at community events.

Looking forward to FY26, our focus will remain on providing personalised service to our customers and growing our lending portfolio to assist our customers achieve their financial goals. We plan to further our presence within the community and expand our reach into the surrounding suburbs. We are confident we can continue to provide value to our customers and shareholders whilst making a positive impact on the wider Buderim Community.

Thank you all for your continued support of Community Bank Buderim.



Debbie Podolczak
Acting Branch Manager

Community Bank · Buderim

Making good things happen

Find out more. Call 5456 2094 or search Bendigo Bank Buderim.



Buderim Community Enterprises Limited

ABN 28 136 810 074

Financial Report - 30 June 2025

Buderim Community Enterprises Limited

Directors' report

30 June 2025

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2025.

Directors

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

Name:	Richard Cartwright Beasley
Title:	Non-executive director
Experience and expertise:	Rick Beasley has spent a lifetime working in the beef industry most recently in developing Australian livestock identification and traceability system. He was instrumental in the foundation of the Buderim Mens Shed and elected inaugural president until 2018. A member of Rotary for almost 41 years.
Special responsibilities:	Chair, Member of Marketing and Sponsorship Committee and Audit and Risk Committee.
Name:	Helen Margaret Jones
Title:	Non-executive director
Experience and expertise:	Relocated from Darwin, NT to Sunshine Coast, Qld in July 2011. Former HR and Corporate management professional with NT public sector, career spanning 38 years. Graduate member - Australian Institute of Company Directors, Fellow - Institute of Public Administration. Member - Australian Human Resources Institute. Extensive experience as sports administrator, fundraiser and coach. Joined BCEL early 2013 in voluntary capacity. Appointed Director of the company in June 2014.
Special responsibilities:	Deputy Chair, Chair of Marketing and Sponsorship Committee.
Name:	Jonathan Sullivan
Title:	Non-executive director
Experience and expertise:	Jonathan is a residential real estate sales consultant at Harcourt Buderim and sales manager at Allied Removals Sunshine Coast. Jonathan has past experience in project management - agriculture/transport and project management - FMCG - Unilever. Jonathan is a member of the Mountain Creek Sharks JAFC and the Buderim foundation. Jonathan holds a Bachelor of Business Management, Advanced Diploma of Business and a Cert III in Civil Construction
Name:	Ruth Margaret Wade
Title:	Non-executive director
Experience and expertise:	Consultant - retired to Sunshine Coast in 2016. Ruth holds a Bachelor Business and an MBA and is an Accredited Mediator. Formerly Chair of GasFields Commission Queensland, CEO of Queensland Farmers' Federation, Executive Director of Ricegrowers' Association of Australia, and Part-time member of the National Native Title Tribunal. She is a member of the Australian Institute of Company Directors, the Institute of Managers and Leaders, and the Resolution Institute. She is currently Secretary of the BWMCA ANZAC Day Sub-Committee and an active supporter of various charitable organisations.
Special responsibilities:	Company secretary, Member of Audit and Risk Committee.
Name:	Lara Kae Higson
Title:	Non-executive Director
Experience and expertise:	Senior executive with over 30 years experience spanning multiple business functions in operations and corporate environments in and outside Australia. Graduate of the Australian Institute of Company Directors (GAICD), and holds qualifications including a Bachelor of Business, Certified Practicing Accountant (CPA), Master of Business Administration (MBA), and Graduate Diploma in Applied Finance & Investment. Non-executive Director of ECOllaboration (a registered charity)
Special responsibilities:	Treasurer and Chair of Audit and Risk Committee.

Buderim Community Enterprises Limited
Directors' report
30 June 2025

Name: Errol Wayne Hay
Title: Non-executive director
Experience and expertise: Chief Executive/Secretary of ESI Super, the Trustee of the Electricity Supply Industry Superannuation Fund (Qld), for over 16 years during which Errol was responsible for the strategic and operational management of the Fund. Errol retired from that position in 2007 and has been in retirement ever since. His educational qualifications are: Bachelor of Business, Certified Practicing Accountant, Diploma of Superannuation Management, Graduate Diploma Applied Finance & Investment.

Name: Nicole Masri
Title: Non-executive director
Experience and expertise: An experienced and innovative marketing professional currently working in the Short Term Rental Industry. With a background in photography and graphic design, Nicole has worked as a studio photographer and sales professional, in a photography role for the esteemed Highlife Magazine, and founded her own boutique photography business in the Southern Highlands, NSW. She has also held office management and property onboarding roles in various real estate agencies. Qualifications include: Bachelor of Arts (Design & Marketing), Current QLD Real Estate Licence, Cert IV in Youth Work. Voluntary work includes: Sunny Kids Nambour, Uniting Care.
Special responsibilities: Marketing and Sponsorship Committee

Name: Chris Wordsworth
Title: Non-executive director (*appointed 2 June 2025*)
Experience and expertise: Executive Director & Station Manager, 104.9 Sunshine FM; Member, Community Advisory Board, The Parkinson's Centre; Queensland State Director, Australian Broadcasting Corporation; Regional Network Director of News, Nine Network; Queensland State News Director, WIN Television; Executive Director, Ministerial Services & Corporate Affairs, NSW Dept of Finance; Executive Director Ministerial Services & Corporate Affairs, NSW Health; Senior Media Advisor, Minister for Defence & Minister for Industry; Senior Policy Advisor, Queensland Deputy Premier & Treasurer; Journalist, Newsreader, European Correspondent, 7 9 & ABC.

Name: Geoffrey Reynolds Hole
Title: Non-executive director (*deceased 14 October 2024*)
Experience and expertise: Journalism in national press and TV, Media management and speech writing at high levels in Federal and State politics and the corporate world. For 15 years to retirement chief adviser in these areas to chairman of Westfield, and member of five Buderim not for profit Committees.
Special responsibilities: Marketing and Sponsorship Committee.

Company secretary

The company secretary is Ruth Margaret Wade. Ruth was appointed to the position of secretary on 26 July 2022.

Principal activity

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

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

Review of operations

The profit for the company after providing for income tax amounted to \$177,545 (2024: \$176,584)

Operations have continued to perform in line with expectations.

Significant changes in the state of affairs

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

Buderim Community Enterprises Limited
Directors' report
30 June 2025

Matters subsequent to the end of the financial year

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

Likely developments and expected results of operations

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 (including meetings of committees of directors) attended by each of the directors of the company during the financial year were:

	Board		Marketing Committee		Audit & Risk Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Richard Cartwright Beasley	11	8	5	4	4	4
Helen Margaret Jones	11	10	5	5	-	-
Jonathan Sullivan	11	6	-	-	-	-
Ruth Margaret Wade	11	10	-	-	4	4
Lara Kae Higson	11	10	-	-	4	4
Errol Wayne Hay	11	11	-	-	-	-
Nicole Masri	11	9	5	5	-	-
Chris Wordsworth	1	1	-	-	-	-
Geoffrey Reynolds Hole	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.

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
Richard Cartwright Beasley	-	-	-
Helen Margaret Jones	2,000	-	2,000
Jonathan Sullivan	-	-	-
Ruth Margaret Wade	-	-	-
Lara Kae Higson	-	-	-
Nicole Masri	-	-	-
Errol Wayne Hay	-	-	-
Chris Wordsworth	-	-	-
Geoffrey Reynolds Hole	2,501	-	2,501

Shares under option

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

Shares issued on the exercise of options

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

Buderim Community Enterprises Limited
Directors' report
30 June 2025

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 22 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



Helen Margaret Jones
Deputy-Chairperson

22 September 2025



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN 85 884 604 390
afs@afsbendigo.com.au
03 5443 0344

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

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

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 22 September 2025

A handwritten signature in black ink, appearing to read 'Jessica Ritchie'.

Jessica Ritchie
Lead Auditor

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

	Note	2025 \$	2024 \$
Revenue from contracts with customers	6	914,055	879,369
Other revenue		32	35
Total revenue		<u>914,087</u>	<u>879,404</u>
Employee benefits expense	7	(426,266)	(404,672)
Advertising and marketing costs		(3,973)	(4,388)
Occupancy and associated costs		(19,791)	(21,879)
System costs		(18,147)	(16,750)
Depreciation and amortisation expense	7	(73,752)	(78,677)
Loss on disposal of assets		-	(717)
Finance costs		(8,942)	(5,338)
General administration expenses		(85,503)	(76,762)
Total expenses before community contributions		<u>(636,374)</u>	<u>(609,183)</u>
Profit before community contributions and income tax expense		277,713	270,221
Charitable donations, sponsorships and grants expense		<u>(40,509)</u>	<u>(34,647)</u>
Profit before income tax expense		237,204	235,574
Income tax expense	8	<u>(59,659)</u>	<u>(58,990)</u>
Profit after income tax expense for the year		177,545	176,584
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>177,545</u></u>	<u><u>176,584</u></u>
		Cents	Cents
Basic earnings per share	24	22.12	22.00
Diluted earnings per share	24	22.12	22.00

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

Buderim Community Enterprises Limited
Statement of financial position
As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	9	410,122	209,680
Trade and other receivables	10	38,931	56,408
Total current assets		<u>449,053</u>	<u>266,088</u>
Non-current assets			
Property, plant and equipment	11	9,284	20,917
Right-of-use assets	12	255,719	30,243
Intangible assets	13	66,217	9,801
Deferred tax assets	8	38,859	98,518
Total non-current assets		<u>370,079</u>	<u>159,479</u>
Total assets		<u>819,132</u>	<u>425,567</u>
Liabilities			
Current liabilities			
Trade and other payables	14	22,918	13,387
Lease liabilities	15	55,714	44,007
Total current liabilities		<u>78,632</u>	<u>57,394</u>
Non-current liabilities			
Trade and other payables	14	46,825	-
Lease liabilities	15	213,135	-
Lease make good provision		19,988	28,974
Total non-current liabilities		<u>279,948</u>	<u>28,974</u>
Total liabilities		<u>358,580</u>	<u>86,368</u>
Net assets		<u>460,552</u>	<u>339,199</u>
Equity			
Issued capital	16	709,180	765,372
Accumulated losses		<u>(248,628)</u>	<u>(426,173)</u>
Total equity		<u>460,552</u>	<u>339,199</u>

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

Buderim Community Enterprises Limited
Statement of changes in equity
For the year ended 30 June 2025

	Note	Issued capital \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023		<u>765,372</u>	<u>(546,565)</u>	<u>218,807</u>
Profit after income tax expense		-	176,584	176,584
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		<u>-</u>	<u>176,584</u>	<u>176,584</u>
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	18	<u>-</u>	<u>(56,192)</u>	<u>(56,192)</u>
Balance at 30 June 2024		<u><u>765,372</u></u>	<u><u>(426,173)</u></u>	<u><u>339,199</u></u>
 Balance at 1 July 2024		<u>765,372</u>	<u>(426,173)</u>	<u>339,199</u>
Profit after income tax expense		-	177,545	177,545
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		<u>-</u>	<u>177,545</u>	<u>177,545</u>
<i>Transactions with owners in their capacity as owners:</i>				
Return of capital	16	<u>(56,192)</u>	<u>-</u>	<u>(56,192)</u>
Balance at 30 June 2025		<u><u>709,180</u></u>	<u><u>(248,628)</u></u>	<u><u>460,552</u></u>

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

Buderim Community Enterprises Limited
Statement of cash flows
For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,019,726	996,306
Payments to suppliers and employees (inclusive of GST)		<u>(682,755)</u>	<u>(670,636)</u>
Net cash provided by operating activities	23	<u>336,971</u>	<u>325,670</u>
Cash flows from investing activities			
Payments for property, plant and equipment	11	(2,268)	-
Payments for intangible assets		<u>(14,189)</u>	<u>(13,288)</u>
Net cash used in investing activities		<u>(16,457)</u>	<u>(13,288)</u>
Cash flows from financing activities			
Payments for return of capital	16	(56,192)	-
Interest and other finance costs paid		(7,440)	(3,853)
Dividends paid	18	-	(56,192)
Repayment of lease liabilities		<u>(56,440)</u>	<u>(63,182)</u>
Net cash used in financing activities		<u>(120,072)</u>	<u>(123,227)</u>
Net increase in cash and cash equivalents		200,442	189,155
Cash and cash equivalents at the beginning of the financial year		<u>209,680</u>	<u>20,525</u>
Cash and cash equivalents at the end of the financial year	9	<u><u>410,122</u></u>	<u><u>209,680</u></u>

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

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 1. Reporting entity

The financial statements cover Buderim Community Enterprises 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 4B/72 Burnett Street, Buderim QLD 4556.

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 22 September 2025. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

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

Adoption of new and revised accounting standards

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

Accounting standards issued but not yet effective

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

Current and non-current classification

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

Impairment of non-financial assets

At each reporting date, the company reviews the carrying amounts of its tangible assets and intangible assets 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.

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 4. Critical accounting judgements, estimates and assumptions

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

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

Judgements

Timing of revenue recognition associated with trail commission

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

Allowance for expected credit losses on trade and other receivables

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

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

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

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.

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

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

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 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 except where the company is reasonably certain it will not 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.

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.

Note 5. Economic dependency

The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in March 2030.

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank.

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.

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

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

	2025 \$	2024 \$
Margin income	811,749	785,823
Fee income	47,951	42,756
Commission income	54,355	50,790
	<u>914,055</u>	<u>879,369</u>

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:

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

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

Revenue calculation

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

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 6. Revenue from contracts with customers (continued)

Margin income

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

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

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

Commission income

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

Fee income

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

Core banking products

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

Ability to change financial return

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

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

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

Note 7. Expenses

Employee benefits expense

	2025	2024
	\$	\$
Wages and salaries	335,043	320,721
Superannuation contributions	40,877	37,665
Expenses related to long service leave	4,029	(4,034)
Other expenses	46,317	50,320
	<u>426,266</u>	<u>404,672</u>

Accounting policy for employee benefits

Bendigo Bank seconded employees to work for the company. Bendigo Bank charges the cost of these employees through the monthly profit share arrangement. The company recognises these expenses when recording the monthly invoice. No annual leave or long service leave liabilities are recognised for the company as these are Bendigo Bank employees.

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 7. Expenses (continued)

Depreciation and amortisation expense

	2025 \$	2024 \$
<i>Depreciation of non-current assets</i>		
Leasehold improvements	13,059	19,397
Plant and equipment	842	661
	<u>13,901</u>	<u>20,058</u>
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	<u>45,318</u>	<u>45,551</u>
<i>Amortisation of intangible assets</i>		
Franchise fee	2,422	3,267
Franchise renewal process fee	12,111	9,801
	<u>14,533</u>	<u>13,068</u>
	<u><u>73,752</u></u>	<u><u>78,677</u></u>

Note 8. Income tax

	2025 \$	2024 \$
<i>Income tax expense</i>		
Movement in deferred tax	(110)	(680)
Under/over adjustment	-	(1,050)
Recoupment of prior year tax losses	59,769	60,720
	<u>59,659</u>	<u>58,990</u>
Aggregate income tax expense	<u><u>59,659</u></u>	<u><u>58,990</u></u>
<i>Prima facie income tax reconciliation</i>		
Profit before income tax expense	<u>237,204</u>	<u>235,574</u>
Tax at the statutory tax rate of 25%	59,301	58,894
Tax effect of:		
Non-deductible expenses	<u>358</u>	<u>1,146</u>
	59,659	60,040
Under/over adjustment	<u>-</u>	<u>(1,050)</u>
Income tax expense	<u><u>59,659</u></u>	<u><u>58,990</u></u>
	2025 \$	2024 \$
<i>Deferred tax assets/(liabilities)</i>		
Provision for lease make good	4,998	7,243
Carried-forward tax losses	23,188	83,137
Lease liabilities	67,212	11,002
Property, plant and equipment	7,391	4,697
Right-of-use assets	<u>(63,930)</u>	<u>(7,561)</u>
Deferred tax asset	<u><u>38,859</u></u>	<u><u>98,518</u></u>

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 8. Income tax (continued)

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 deferred tax

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

Note 9. Cash and cash equivalents

	2025 \$	2024 \$
Cash at bank and on hand	<u>410,122</u>	<u>209,680</u>

Note 10. Trade and other receivables

	2025 \$	2024 \$
Trade receivables	32,670	46,901
Prepayments	<u>6,261</u>	<u>9,507</u>
	<u>38,931</u>	<u>56,408</u>

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. Property, plant and equipment

	2025 \$	2024 \$
Leasehold improvements - at cost	172,345	172,345
Less: Accumulated depreciation	<u>(172,345)</u>	<u>(159,286)</u>
	-	13,059
Plant and equipment - at cost	70,915	72,228
Less: Accumulated depreciation	<u>(61,631)</u>	<u>(64,370)</u>
	<u>9,284</u>	<u>7,858</u>
	<u>9,284</u>	<u>20,917</u>

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 11. 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:

	Leasehold improvements \$	Plant and equipment \$	Total \$
Balance at 1 July 2023	32,456	9,236	41,692
Disposals	-	(717)	(717)
Depreciation	(19,397)	(661)	(20,058)
Balance at 30 June 2024	13,059	7,858	20,917
Additions	-	2,268	2,268
Depreciation	(13,059)	(842)	(13,901)
Balance at 30 June 2025	-	9,284	9,284

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:

Leasehold improvements	5 to 15 years
Plant and equipment	5 to 10 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 12. Right-of-use assets

	2025 \$	2024 \$
Land and buildings - right-of-use	521,287	250,493
Less: Accumulated depreciation	(265,568)	(220,250)
	<u>255,719</u>	<u>30,243</u>

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 12. 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 2023	74,827
Remeasurement adjustments	967
Depreciation expense	<u>(45,551)</u>
Balance at 30 June 2024	30,243
Additions	270,794
Depreciation expense	<u>(45,318)</u>
Balance at 30 June 2025	<u><u>255,719</u></u>

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 15 for more information on lease arrangements.

Note 13. Intangible assets

	2025 \$	2024 \$
Franchise fee	44,011	32,187
Less: Accumulated amortisation	<u>(32,975)</u>	<u>(30,553)</u>
	<u>11,036</u>	<u>1,634</u>
Franchise renewal fee	170,059	110,934
Less: Accumulated amortisation	<u>(114,878)</u>	<u>(102,767)</u>
	<u>55,181</u>	<u>8,167</u>
	<u><u>66,217</u></u>	<u><u>9,801</u></u>

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 2023	4,901	17,968	22,869
Amortisation expense	<u>(3,267)</u>	<u>(9,801)</u>	<u>(13,068)</u>
Balance at 30 June 2024	1,634	8,167	9,801
Additions	11,824	59,125	70,949
Amortisation expense	<u>(2,422)</u>	<u>(12,111)</u>	<u>(14,533)</u>
Balance at 30 June 2025	<u><u>11,036</u></u>	<u><u>55,181</u></u>	<u><u>66,217</u></u>

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 13. 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:

<u>Asset class</u>	<u>Method</u>	<u>Useful life</u>	<u>Expiry/renewal date</u>
Franchise fee	Straight-line	Over the franchise term (5 years)	March 2030
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	March 2030

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

Note 14. Trade and other payables

	2025	2024
	\$	\$
<i>Current liabilities</i>		
Trade payables	3,349	4,360
Other payables and accruals	19,569	9,027
	<u>22,918</u>	<u>13,387</u>
<i>Non-current liabilities</i>		
Other payables and accruals	46,825	-
	<u>46,825</u>	<u>-</u>
	2025	2024
	\$	\$
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	69,743	13,387
less net GST payable to the ATO included in trade and other payables	(3,624)	(7,183)
	<u>66,119</u>	<u>6,204</u>

Note 15. Lease liabilities

	2025	2024
	\$	\$
<i>Current liabilities</i>		
Land and buildings lease liabilities	55,714	44,007
	<u>55,714</u>	<u>44,007</u>
<i>Non-current liabilities</i>		
Land and buildings lease liabilities	213,135	-
	<u>213,135</u>	<u>-</u>

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 15. Lease liabilities (continued)

Reconciliation of lease liabilities

	2025 \$	2024 \$
Opening balance	44,007	106,626
Remeasurement adjustments	281,282	563
Lease interest expense	7,440	3,853
Lease payments - total cash outflow	<u>(63,880)</u>	<u>(67,035)</u>
	<u><u>268,849</u></u>	<u><u>44,007</u></u>

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	Reasonably certain to exercise options	Lease term end date used in calculations
Buderim Branch	7.43%	3 years	1 x 3 years	Yes	February 2031

Remeasurement adjustments

The company has renewed its lease agreement for an additional 3 years with a further 3-year renewal option available. As such a remeasurement of the right-of-use asset and lease liability occurred increasing them by \$281,282.

Note 16. Issued capital

	2025 Shares	2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	802,740	802,740	802,740	802,740
Less: Equity raising costs	-	-	(37,368)	(37,368)
Less: Return of capital	<u>-</u>	<u>-</u>	<u>(56,192)</u>	<u>-</u>
	<u><u>802,740</u></u>	<u><u>802,740</u></u>	<u><u>709,180</u></u>	<u><u>765,372</u></u>

During the financial year, the company resolved an equal reduction of share capital of 7 cents per share. The return of capital was completed in January 2025 which resulted in the company returning \$56,192 to its shareholders.

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.

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 16. Issued capital (continued)

Rights attached to issued capital

Ordinary shares

Voting rights

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

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

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

Dividends

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

Transfer

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

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

Prohibited shareholding interest

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

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

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").
- Where the person is a shareholder, after the transfer of shares in the company to that person the number of shareholders in the company is (or would be) lower than the base number (the "base number test"). The base number is 217. As at the date of this report, the company had 232 shareholders (2024: 233 shareholders).

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.

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 16. Issued capital (continued)

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 17. 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 18. Dividends

Dividends provided for and paid during the period

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

	2025 \$	2024 \$
Unfranked dividend of nil cents per share (2024: 7 cents)	-	56,192

Accounting policy for dividends

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

Note 19. Financial risk management

The company's financial instruments include trade receivables and payables, cash and cash equivalents, and lease liabilities. 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.

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 19. 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.
- The company has no borrowings.

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

	2025	2024
	\$	\$
Financial assets at amortised cost		
Trade and other receivables (note 10)	32,670	46,901
Cash and cash equivalents (note 9)	410,122	209,680
	<u>442,792</u>	<u>256,581</u>
Financial liabilities		
Trade and other payables (note 14)	66,119	6,204
Lease liabilities (note 15)	268,849	44,007
	<u>334,968</u>	<u>50,211</u>

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

Accounting policy for financial instruments

Financial assets

Classification

The company measures its financial assets at amortised cost.

The company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents.

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 measures its financial liabilities at amortised cost.

The company's financial liabilities measured at amortised cost comprise trade and other payables and lease liabilities.

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 19. Financial risk management (continued)

Derecognition

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

Market risk

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

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. Interest-rate risk could also arise from long-term borrowings. Borrowings issued at variable rates expose the company to cash flow interest-rate risk. The company held cash and cash equivalents of \$410,122 at 30 June 2025 (2024: \$209,680).

Price risk

The company is not exposed to equity securities price risk as it does not hold investments for sale or at fair value. The company is not exposed to commodity price risk.

Liquidity risk

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

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

	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2025				
Trade and other payables	19,294	46,825	-	66,119
Lease liabilities	57,570	230,280	38,380	326,230
Total non-derivatives	76,864	277,105	38,380	392,349
	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2024				
Trade and other payables	6,204	-	-	6,204
Lease liabilities	44,690	-	-	44,690
Total non-derivatives	50,894	-	-	50,894

Note 20. Key management personnel disclosures

The following persons were directors of Buderim Community Enterprises Limited during the financial year and/or up to the date of signing of these Financial Statements.

Richard Cartwright Beasley
Jonathan Sullivan
Lara Kae Higson
Nicole Masri
Geoffrey Reynolds Hole

Helen Margaret Jones
Ruth Margaret Wade
Errol Wayne Hay
Chris Wordsworth

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.

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 21. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 20.

Receivable from and payable to related parties

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

Terms and conditions of transactions with related parties

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

Transactions with related parties

The following transactions occurred with related parties:

	2025	2024
	\$	\$
Sponsorship payment to Buderim Rotary Club where a director is a board member.	3,500	2,500
Payment to Bloomhill Cancer Care where at the time of payment, a company director was also a director of this organisation.	2,000	-
Sponsorship payment to Buderim Men's Shed where a director is a member	7,000	-
Sponsorship payment to BWMCA where a director is a member	10,318	-

Note 22. Remuneration of auditors

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

	2025	2024
	\$	\$
<i>Audit services</i>		
Audit or review of the financial statements	7,930	6,900
<i>Other services</i>		
Taxation advice and tax compliance services	2,562	700
General advisory services	4,414	2,980
Share registry services	5,629	4,524
	12,605	8,204
	<u>20,535</u>	<u>15,104</u>

Buderim Community Enterprises Limited
Notes to the financial statements
30 June 2025

Note 23. Reconciliation of profit after income tax to net cash provided by operating activities

	2025 \$	2024 \$
Profit after income tax expense for the year	177,545	176,584
Adjustments for:		
Depreciation and amortisation	73,752	78,677
Net loss on disposal of non-current assets	-	717
Lease liability interest	7,440	3,852
Change in operating assets and liabilities:		
Decrease in trade and other receivables	17,477	25,246
Decrease in deferred tax assets	59,659	58,990
Decrease in trade and other payables	(399)	(19,882)
Increase in other provisions	1,497	1,486
Net cash provided by operating activities	<u>336,971</u>	<u>325,670</u>

Note 24. Earnings per share

	2025 \$	2024 \$
Profit after income tax	<u>177,545</u>	<u>176,584</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>802,740</u>	<u>802,740</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>802,740</u>	<u>802,740</u>
	Cents	Cents
Basic earnings per share	22.12	22.00
Diluted earnings per share	22.12	22.00

Note 25. Commitments

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

Note 26. Contingencies

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

Note 27. Events after the reporting period

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

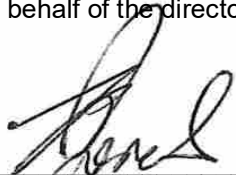
Buderim Community Enterprises Limited
Directors' declaration
30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

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

On behalf of the directors



Helen Margaret Jones
Deputy-Chairperson

22 September 2025



Andrew Frewin Stewart
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03 5443 0344

Independent auditor's report to the Directors of Buderim Community Enterprises Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Buderim Community Enterprises Limited, is in accordance with the *Corporations Act 2001*, including:

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

What we have audited

We have audited the financial report of Buderim Community Enterprises Limited (the company), which comprises the:

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

Basis for opinion

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

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

Other information

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

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

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



Andrew Frewin Stewart
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Independence

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 22 September 2025

Jessica Ritchie
Lead Auditor