Annual Report 2026

Buloke Community Enterprises Limited

Community Bank
Donald & District

ABN 29 147 298 039

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Chairman's report

For year ending 30 June 2026

I am pleased to present the 15th Annual Report of Buloke Community Enterprises Limited (BCEL) to shareholders.

BCEL produced a profit of $95,361 in the 2025-26 financial year, which was slightly more than the profit recorded in the previous financial year. This is a pleasing result as it is the 5th consecutive year in which a profit has been achieved and has resulted in a further improvement in shareholder equity.

Margins produced from banking activities are continuing to fluctuate with changes in interest rates, and this will impact on income for BCEL in the future. There is limited scope to reduce costs as there are minimum staffing levels and equipment, set by Bendigo Bank, that are required to operate the Community Bank branch. The Board is endeavouring to strike the right balance between having Community Bank Donald & District open to provide service to customers and managing costs. Increasing the size of the current business book is essential to increase the income and ensure the long-term profitability of BCEL. This means attracting new customers and providing more products to customers. To achieve this, we are continuing to build capacity within the team. We now have a lender in house and have access to business and agribusiness lenders who are visiting Community Bank Donald & District.

Community sponsorship and contributions for the period 1 July 2025 to 30 June 2026 totalled $7966, and were distributed to Donald P&A Society, Donald High School scholarship, High School student RSA training, Donald Tennis Club, Donald Golf/Bowls Club, Donald Bowls, Donald 2000 Christmas Promotion, Donald Basketball Club and Donald and District Racing Club.

On behalf of the Board, I would like to thank our manager, Kirby Richmond-Davis, for taking on the challenge of being present in the community, developing new business, managing the team and ensuring Community Bank Donald & District is meeting its compliance obligations. I would also like to thank Kez and Anjalee, our hard-working Customer Service Officers, for supporting customers with their banking needs in a challenging environment. In other changes, Tahlia resigned from her position as a Customer Service Officer after a leave of absence due to illness. We thank her for her contribution and wish her all the best for the future.

I also thank Shaun Leech, our Bendigo Bank Regional Manager, for his support and guidance to Community Bank Donald & District and to the Board.

Finally, I would like to thank my fellow Board members for their ongoing hard work and commitment to providing a banking service to Donald and District. Establishing Community Bank Donald & District 15 years ago has resulted in continued access to banking services in Donald and surrounds, competition between banks within the town, provided employment, added a business to the main street and returned funds to the community. For this to continue and build, BCEL must be profitable, and this requires an active and diverse Board that is engaged with the community. I urge shareholders and members of the wider community to consider becoming a Director of Buloke Community Enterprises Ltd to guide Community Bank Donald & District into the future.

Colin Gilmour
Chairman,
Buloke Community Enterprises Limited

Manager's report

For year ending 30 June 2026

I'm proud to present my second Branch Manager Report for Community Bank Donald and District.

Over the past 12 months, our branch has kept growing, learning, and finding our rhythm. It hasn't all been smooth sailing—we faced our fair share of hurdles, especially when it came to staffing and just working hard to keep the doors open and the lights on for everyone. But through it all, those challenges gave our team an even bigger reason to roll up our sleeves and get stuck into community life.

Whether it was running local scam awareness sessions to help protect our residents and seniors from fraudsters or making sure our Business and Agri Bankers were physically present right here in town to support our farmers and local enterprise owners, welcoming new residents to our community, attending award nights, presentations and AGMs we made sure we were there when Donald needed us.

It showed us once again what makes our Community Bank so special: when things get tough, we show up for our town, and our town shows up for us.

Lending

Yes, Lending is Back!

The biggest news of the year is that local lending is officially back in Donald! After a hiatus, we were thrilled to see **$853,478** in new lending hit the books.

There was a lot of celebrating in the branch when those loans started coming through, and for good reason. Right now, Community Bank Donald and District is the only bank in town where you can sit down face-to-face with an actual lender. Having that skill right here at home means our local families, farmers, and business owners don't have to jump in the car and drive out of town just to talk about buying a home, upgrading machinery, or growing a business.

Deposits

A Great Year for Local Savings

Donald has always had a reputation for strong deposits, and this year was no exception. We didn't disappoint, adding another **$6,203,094** to our books.

That growth tells us one simple thing: our community trusts us with their hard-earned money. Every dollar banked here helps keep profits local, and that's something we can all be proud of.

Our Team

Buildings and systems matter, but our people are the real heart of the branch.

- I couldn't ask for a more hard-working crew than Anjalee and Kez. Their can-do attitude, local know-how, and genuine care for our customers keep everything running every single day.
- During the year, Tahlia resigned following an extended break due to ongoing health issues. We're so grateful for the time she spent with us, and we all wish her the very best in her health journey.

Looking ahead to the next year, here's where we're putting our energy:

- Continuing to give people the kind of warm, friendly, over the counter and online service.
- Making the most of being the only local lender in town to help more people buy homes, finance equipment, and back local ideas.

- Making sure we aren't just a place where people do their banking, but a bank that genuinely belongs to Donald.
- Teaming up with local clubs, associations, and businesses so we can all grow and succeed together.

A branch like ours only works because of the community behind it, and I want to share a few heartfelt thank-yous.

- To Our Board & Directors: Thank you for all the hours you volunteer behind the scenes. Yours is an unseen role, but your guidance, time, and support keep this ship steering in the right direction. Your hard work doesn't go unnoticed.
- To Our Customers: Thank you for walking through our doors and trusting us with your banking. You give our work meaning and make coming to work every day a joy.
- To the Donald & District Community: Thank you for backing us. Your loyalty and support—especially during the trickier periods—remind us why keeping a bank open in our town matters so much.
- To Anjalee and Kez: Finally, a massive thank you, ladies. The care and dedication you show for our customers and our town runs deep. Quite simply, we wouldn't be where we are today without you both in our corner.

Kirby Richmond-Davis
Branch Manager

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:	Colin Thomas Gilmour
Title:	Non-executive director
Experience and expertise:	Colin is the Captain of the Cope Cope CFA, Treasurer of Wimmera Mallee Cricket Association and of the Donald Football Club. Colin is a past President of the Donald Football Club and Donald Cricket Club.
Special responsibilities:	Chair as of 14 May 2026
Name:	Angelique Tammy Donnellon
Title:	Non-executive director
Experience and expertise:	Angelique holds a Bachelor of Business (Accounting) and a Graduate Diploma of Education (Secondary). She lives on a farm with her husband and has 4 adult sons, one of which is also on the farm. The farm specialises in crops and fat lambs. Angelique is a part owner of a local cafe in Donald. She is the current treasurer of Donald 2000, a position she has held for 18 years. Angelique has held previously numerous treasurer roles on various committees in Donald and has also been on the Donald High Advisory Council and Donald Children's Centre Advisory Board. In 2026, Angelique was awarded Donald's Citizen of the Year.
Special responsibilities:	Treasurer, Business/Community Development, Finance & Budget and Human Resources Committees
Name:	Lynn Suzanne Gilmour
Title:	Non-executive director
Experience and expertise:	Lyn is now a retired Registered Nurse from June 2024, 50 years hospital-based medical & surgical experience. Trained at Alfred Hospital 1975-1978. Volunteer for Alfred Health at Sandringham Hospital since 2020. Fundraising committee member. Volunteer for Family Life at Beaumaris Opportunity Shop since 2023.
Special responsibilities:	Nil
Name:	Leo John Tellefson
Title:	Non-executive director
Experience and expertise:	Leo previously served as Mayor/Councillor of the Buloke Shire and Board member of East Wimmera Health Service. He is presently Chairperson of Johnson Goodwin Homes Board of Management, and a board member of Rural Business & Community organisation and a Director of T & T Meats.
Special responsibilities:	Nil
Name:	Philip John Stuchbery
Title:	Non-executive director
Experience and expertise:	John grew up on the family farm in the Upper South East of South Australia. John has a Bachelor of Applied Science in Agriculture and a Graduate Diploma in Agriculture from Roseworthy Agricultural College. He has previously worked on the family farm, in research roles with the Departments of Agriculture in South Australia and Victoria, and for the Australian Wheat Board in South Australia. John part owns a consulting company which provides independent technical and management advice to farmers in Western Victoria. John was a member of the Donald Primary School Council for nine years and the Donald High School Council for four years.
Special responsibilities:	Company Secretary

Name:	Daryl Bernard Warren
Title:	Non-executive director (resigned 14 May 2026)
Experience and expertise:	Daryl Warren brings over three decades of experience in local government, governance, and regional development to the Board. His career has spanned key areas including economic development, tourism, and community engagement, with a consistent focus on delivering tangible outcomes for rural communities. He has held several leadership roles, including Director of Workspace Australia, Chair of the Loddon Mallee Waste Resource Recovery Group, and Secretary of The Rex Theatre Ltd, Donald 2000 Inc, and Donald Industrial Development Pty Ltd. Daryl served as a Councillor with Buloke Shire for eight years, including two terms as Mayor. His tenure was marked by strategic advocacy for housing investment, industrial expansion, and improved community infrastructure.
Special responsibilities:	Chair until 14 May 2026

Company secretary
There have been two company secretaries holding the position during the financial year:

- Philip John Stuchbery was appointed company secretary on 28 October 2025.
- Leo John Tellefson was appointed as company secretary on 22 November 2022 and ceased on 28 October 2025.

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 $95,361 (30 June 2025: $83,438).

Operations have continued to perform in line with expectations.

Dividends
No dividends were declared or paid in the current financial year.

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

Matters subsequent to the end of the financial year
Subsequent to year end, the Company entered into a new franchise agreement with Bendigo and Adelaide Bank Limited. The agreement commences on 13 October 2026, replacing the previous franchise agreement, and provides the Company with the right to continue its retail branch operations for a further five-year term to 12 October 2031. The renewal is a non-adjusting event after the reporting period and does not result in an adjustment to amounts recognised in the financial statements at 30 June 2026. Under the renewed agreement, the Company is required to pay renewal fees of $79,141 (inclusive of GST).

Also subsequent to year end, the Company renewed the lease agreement for its Donald branch premises, providing for a further five-year term with an additional five-year renewal option. As a result of the lease renewal, the Company expects to recognise a remeasurement of the right-of-use asset and corresponding lease liability of approximately $83,000.

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 BEN'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 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 attended by each of the directors' of the company during the financial year were:

	Board	
	Eligible	Attended
Colin Thomas Gilmour	11	8
Angelique Tammy Donnellon	11	11
Lynn Suzanne Gilmour	11	7
Leo John Tellefson	11	11
Philip John Stuchbery	11	10
Daryl Bernard Warren	9	7

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
Colin Thomas Gilmour	3,001	-	3,001
Angelique Tammy Donnellon	4,001	-	4,001
Lynn Suzanne Gilmour	-	1,000	1,000
Leo John Tellefson	5,000	-	5,000
Philip John Stuchbery	1,500	-	1,500
Daryl Bernard Warren	-	-	-

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



Colin Gilmour
Chairman

4 November 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

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

As lead auditor for the audit of Buloke Community Enterprises 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: 4 November 2026

Adrian Downing
Lead Auditor

Liability limited by a scheme approved under Professional Standards Legislation.

Financial statements

Buloke Community Enterprises 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	428,050	424,095
Other revenue		1,325	1,589
Finance revenue		16,098	9,105
Total revenue		445,473	434,789
Employee benefits expense	7	(206,993)	(215,651)
Advertising and marketing costs		(2,060)	(2,485)
Occupancy and associated costs		(8,798)	(10,381)
System costs		(15,221)	(15,953)
Depreciation and amortisation expense	7	(32,233)	(27,309)
Finance costs	7	(1,331)	(1,601)
General administration expenses		(43,723)	(42,363)
Total expenses before community contributions and income tax expense		(310,359)	(315,743)
Profit before community contributions and income tax expense		135,114	119,046
Charitable donations and sponsorships expense		(7,966)	(7,765)
Profit before income tax expense		127,148	111,281
Income tax expense	8	(31,787)	(27,843)
Profit after income tax expense for the year		95,361	83,438
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		95,361	83,438
		Cents	**Cents**
Basic earnings per share	26	12.31	10.77
Diluted earnings per share	26	12.31	10.77

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

Buloke Community Enterprises Limited
Statement of financial position
As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	9	92,774	188,706
Trade and other receivables	10	49,932	37,727
Investments	11	572,434	358,083
Current tax assets	8	-	519
Total current assets		715,140	585,035
Non-current assets			
Property, plant and equipment	12	118,519	128,328
Right-of-use assets	13	2,449	8,564
Intangible assets	14	3,313	16,744
Total non-current assets		124,281	153,636
Total assets		839,421	738,671
Liabilities			
Current liabilities			
Trade and other payables	15	33,316	43,030
Lease liabilities	16	2,849	8,320
Current tax liabilities	8	19,562	-
Employee benefits	17	1,790	4,399
Total current liabilities		57,517	55,749
Non-current liabilities			
Lease liabilities	16	-	2,020
Deferred tax liabilities	8	4,688	914
Employee benefits	17	1,249	376
Lease make good provision		21,745	20,751
Total non-current liabilities		27,682	24,061
Total liabilities		85,199	79,810
Net assets		754,222	658,861
Equity			
Issued capital	18	751,150	751,150
Retained earnings/(accumulated losses)		3,072	(92,289)
Total equity		754,222	658,861

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

Buloke Community Enterprises Limited
Statement of changes in equity
For the year ended 30 June 2026

	Issued capital $	Retained earnings $	Total equity $
Balance at 1 July 2024	751,150	(175,727)	575,423
Profit after income tax expense	-	83,438	83,438
Balance at 30 June 2025	751,150	(92,289)	658,861
Balance at 1 July 2025	751,150	(92,289)	658,861
Profit after income tax expense	-	95,361	95,361
Balance at 30 June 2026	751,150	3,072	754,222

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

Buloke Community Enterprises 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)		463,036	475,705
Payments to suppliers and employees (inclusive of GST)		(326,764)	(333,865)
Interest received		14,352	8,083
Income taxes paid		(7,932)	(519)
Net cash provided by operating activities	25	142,692	149,404
Cash flows from investing activities			
Payments for investments		(214,351)	(158,083)
Payments for property, plant and equipment	12	-	(29,900)
Payments for intangible assets		(13,567)	(13,567)
Net cash used in investing activities		(227,918)	(201,550)
Cash flows from financing activities			
Interest and other finance costs paid		(337)	(653)
Repayment of lease liabilities		(10,369)	(7,847)
Net cash used in financing activities		(10,706)	(8,500)
Net decrease in cash and cash equivalents		(95,932)	(60,646)
Cash and cash equivalents at the beginning of the financial year		188,706	249,352
Cash and cash equivalents at the end of the financial year	9	92,774	188,706

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 Buloke 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 61 Woods Street, Donald VIC.

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 4 November 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. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

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.

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.

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

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.

Going concern
The financial statements have been prepared on a going concern basis. Subsequent to year end, the Company entered into a new franchise agreement with Bendigo and Adelaide Bank Limited. The new franchise agreement commences on 13 October 2026 and provides the Company with the right to continue its retail branch operations for a further five-year term to 12 October 2031.

Accordingly, the directors consider that the uncertainty associated with renewal of the franchise agreement has been resolved and that there are reasonable grounds to believe the Company will be able to continue as a going concern.

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 to exercise a termination option, when a significant event or significant change in circumstances occurs.

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

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

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.

In the absence of sufficient historical employee attrition rates, the company applies a benchmark probability rate from across the Community Bank network to factor in estimating the probability of an employee, at a given date, achieving continuous employment to be eligible for entitlement in accordance with legislation.

Lease make good provision
A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Note 5. Economic dependency

The Company has an economic dependency on Bendigo and Adelaide Bank Limited. The Company's ongoing operations are dependent on the continuation of the franchise relationship and the revenue generated under that arrangement.

Subsequent to year end, the Company entered into a new franchise agreement with Bendigo and Adelaide Bank Limited. The agreement commences on 13 October 2026 and provides the Company with the right to continue its retail branch operations for a further five-year term to 12 October 2031.

As the franchise agreement has now been executed, the directors consider that the uncertainty associated with renewal of the franchise agreement has been resolved. The financial statements have therefore been prepared on a going concern basis.

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.

Note 5. Economic dependency (continued)

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.

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	345,530	357,856
Fee income	14,625	13,819
Commission income	67,895	52,420
	428,050	424,095

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.

Note 6. Revenue from contracts with customers (continued)

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.

Margin income
Margin 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

	2026 $	2025 $
Wages and salaries	175,819	184,723
Superannuation contributions	21,352	20,645
Expenses related to long service leave	873	(550)
Other expenses	8,949	10,833
	206,993	215,651

Note 7. Expenses (continued)

Depreciation and amortisation expense

	2026 $	2025 $
Depreciation of non-current assets		
Leasehold improvements	7,465	4,330
Plant and equipment	2,344	2,709
	9,809	7,039
Depreciation of right-of-use assets		
Leased land and buildings	8,993	6,840
Amortisation of intangible assets		
Franchise fee	2,239	2,238
Franchise renewal fee	11,192	11,192
	13,431	13,430
	32,233	27,309

Finance costs

	2026 $	2025 $
Lease interest expense	337	653
Unwinding of make good provision	994	948
	1,331	1,601

Finance costs are recognised as expenses when incurred using the effective interest rate.

Note 8. Income tax

	2026 $	2025 $
Income tax expense		
Current tax	28,013	-
Movement in deferred tax	(955)	6,186
Recoupment of prior year tax losses	4,729	21,657
Aggregate income tax expense	31,787	27,843
Prima facie income tax reconciliation		
Profit before income tax expense	127,148	111,281
Tax at the statutory tax rate of 25%	31,787	27,820
Tax effect of:		
Non-deductible expenses	-	23
Income tax expense	31,787	27,843

Note 8. Income tax (continued)

	2026 $	2025 $
Deferred tax assets/(liabilities)		
Tax losses	-	4,729
Property, plant and equipment	(11,417)	(13,143)
Employee benefits	760	1,194
Provision for lease make good	5,436	5,188
Accrued expenses	1,125	930
Income accruals	(692)	(256)
Lease liabilities	712	2,585
Right-of-use assets	(612)	(2,141)
Deferred tax liability	(4,688)	(914)

	2026 $	2025 $
Income tax refund due	-	519

	2026 $	2025 $
Provision for income tax	19,562	-

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	92,774	188,706

Note 10. Trade and other receivables

	2026 $	2025 $
Trade receivables	40,349	31,072
Other receivables	-	173
Accrued income	2,768	1,022
Prepayments	6,815	5,460
	9,583	6,655
	49,932	37,727

	2026 $	2025 $
Financial assets at amortised cost classified as trade and other receivables		
Total trade and other receivables	49,932	37,727
Less prepayments, included in trade and other receivables	(6,815)	(5,460)
	43,117	32,267

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	572,434	358,083

Note 12. Property, plant and equipment

	2026 $	2025 $
Leasehold improvements - at cost	204,699	204,699
Less: Accumulated depreciation	(98,447)	(90,982)
	106,252	113,717
Plant and equipment - at cost	63,157	63,157
Less: Accumulated depreciation	(50,890)	(48,546)
	12,267	14,611
	118,519	128,328

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:

	Leasehold improvements $	Plant and equipment $	Total $
Balance at 1 July 2024	88,147	17,320	105,467
Additions	29,900	-	29,900
Depreciation	(4,330)	(2,709)	(7,039)
Balance at 30 June 2025	113,717	14,611	128,328
Depreciation	(7,465)	(2,344)	(9,809)
Balance at 30 June 2026	106,252	12,267	118,519

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	6 to 40 years
Plant and equipment	1 to 40 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	52,519	49,641
Less: Accumulated depreciation	(50,070)	(41,077)
	2,449	8,564

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	15,404
Depreciation expense	(6,840)
Balance at 30 June 2025	8,564
Remeasurement adjustments	2,878
Depreciation expense	(8,993)
Balance at 30 June 2026	2,449

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	32,131	32,131
Less: Accumulated amortisation	(31,579)	(29,340)
	552	2,791
Franchise renewal fee	110,657	110,657
Less: Accumulated amortisation	(107,896)	(96,704)
	2,761	13,953
	3,313	16,744

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	5,029	25,145	30,174
Amortisation expense	(2,238)	(11,192)	(13,430)
Balance at 30 June 2025	2,791	13,953	16,744
Amortisation expense	(2,239)	(11,192)	(13,431)
Balance at 30 June 2026	552	2,761	3,313

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		
Other payables and accruals	33,316	43,030

	2026 $	2025 $
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	33,316	43,030
less other payables and accruals (net GST payable to the ATO)	(10,716)	(5,522)
	22,600	37,508

Note 16. Lease liabilities

	2026 $	2025 $
Current liabilities		
Land and buildings lease liabilities	2,849	8,320
Non-current liabilities		
Land and buildings lease liabilities	-	2,020
	2,849	10,340

Note 16. Lease liabilities (continued)

Reconciliation of lease liabilities

	2026 $	2025 $
Opening balance	10,340	18,187
Remeasurement adjustments	2,878	-
Lease interest expense	337	653
Lease payments - total cash outflow	(10,706)	(8,500)
	2,849	10,340

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
Donald Branch	4.79%	5 years	N/A	N/A	September 2026

Note 17. Employee benefits

	2026 $	2025 $
Current liabilities		
Annual leave	1,790	4,399
Non-current liabilities		
Long service leave	1,249	376
	3,039	4,775

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.

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.

Note 18. Issued capital

	2026 Shares	2025 Shares	2026 $	2025 $
Ordinary shares - fully paid	774,411	774,411	774,411	774,411
Less: Equity raising costs	-	-	(23,261)	(23,261)
	774,411	774,411	751,150	751,150

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*.

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 391. As at the date of this report, the company had 410 shareholders (2025: 410 shareholders).

Note 18. Issued capital (continued)

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

There were no dividends paid, recommended or declared during the current or previous financial year.

	2026 $	2025 $
Franking account balance at the beginning of the financial year	519	-
Franking credits (debits) arising from income taxes paid (refunded)	7,932	519
	8,451	519
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	8,451	519
Franking credits (debits) that will arise from payment (refund) of income tax	19,562	(519)
Franking credits available for future reporting periods	28,013	-

Note 21. Financial risk management

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

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.

	2026 $	2025 $
Financial assets at amortised cost		
Cash and cash equivalents (note 9)	92,774	188,706
Trade and other receivables excluding prepayments (note 10)	43,117	32,267
Investments (note 11)	572,434	358,083
	708,325	579,056
Financial liabilities		
Trade and other payables (note 15)	22,600	37,508
Lease liabilities (note 16)	2,849	10,340
	25,449	47,848

Accounting policy for financial instruments

Financial assets

Classification
The company classifies its financial assets at amortised cost.

Financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial asset.

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

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.

Note 21. Financial risk management (continued)

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.

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 $92,774 and term deposits of $572,434 at 30 June 2026 (2025: $188,706 and 358,083).

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.

2026	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	22,600	-	-	22,600
Lease liabilities	2,860	-	-	2,860
Total non-derivatives	25,460	-	-	25,460

2025	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	37,508	-	-	37,508
Lease liabilities	8,500	2,125	-	10,625
Total non-derivatives	46,008	2,125	-	48,133

Note 22. Key management personnel disclosures

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

Colin Thomas Gilmour
Angelique Tammy Donnellon
Lynn Suzanne Gilmour
Leo John Tellefson
Philip John Stuchbery
Daryl Bernard Warren

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

Note 22. Key management personnel disclosures (continued)

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 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:

	2026 $	2025 $
Angelique Donnellon is associated with Donald P&A Society. Buloke Community Enterprises Limited sponsored the entity during the year.	4,375	2,000
Angelique Tammy Donnellon is a committee member of Donald 2000. During the year, rental payments for the branch premises were collected by Donald 2000 and subsequently distributed to the landlord.	10,865	8,500
Leo Tellefson is on the Donald Cup committee. Buloke Community Enterprises Limited sponsored the entity during the year.	800	800
Leo Tellefson is on the Donald Learning Group Board. Buloke Community Enterprises Limited sponsored the entity during the year.	-	650

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	7,600	7,600
Other services		
Taxation advice and tax compliance services	290	290
General advisory services	4,165	3,915
	4,455	4,205
	12,055	11,805

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

	2026 $	2025 $
Profit after income tax expense for the year	95,361	83,438
Adjustments for:		
Depreciation and amortisation	32,233	27,309
Lease liabilities interest	337	653
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(12,205)	3,613
Decrease/(increase) in income tax refund due	519	(519)
Decrease in deferred tax assets	-	26,930
Increase in trade and other payables	3,853	3,334
Increase in provision for income tax	19,562	-
Increase in deferred tax liabilities	3,774	914
Increase/(decrease) in employee benefits	(1,736)	2,783
Increase in other provisions	994	949
Net cash provided by operating activities	142,692	149,404

Note 26. Earnings per share

	2026 $	2025 $
Profit after income tax	95,361	83,438
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	774,411	774,411
Weighted average number of ordinary shares used in calculating diluted earnings per share	774,411	774,411
	Cents	**Cents**
Basic earnings per share	12.31	10.77
Diluted earnings per share	12.31	10.77

Accounting policy for earnings per share
Basic and diluted earnings per share is calculated by dividing the profit attributable to the owners of Buloke Community Enterprises Limited, by the weighted average number of ordinary shares outstanding during the financial year.

Note 27. Commitments

The company had no material commitments contracted for at 30 June 2026. Refer to note 29 for details of the franchise agreement entered into subsequent to year end.

Note 28. Contingencies

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

Note 29. Events after the reporting period

Subsequent to year end, the Company entered into a new franchise agreement with Bendigo and Adelaide Bank Limited. The agreement commences on 13 October 2026, replacing the previous franchise agreement, and provides the Company with the right to continue its retail branch operations for a further five-year term to 12 October 2031. The renewal is a non-adjusting event after the reporting period and does not result in an adjustment to amounts recognised in the financial statements at 30 June 2026. Under the renewed agreement, the Company is required to pay renewal fees of $79,141 (inclusive of GST).

Also subsequent to year end, the Company renewed the lease agreement for its Donald branch premises, providing for a further five-year term with an additional five-year renewal option. As a result of the lease renewal, the Company expects to recognise a remeasurement of the right-of-use asset and corresponding lease liability of approximately $83,000.

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 BEN'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



Colin Gilmour
Chairman

4 November 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 Buloke Community Enterprises Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Buloke Community Enterprises 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 Buloke Community Enterprises Limited, which comprises:

- the Statement of financial position as at 30 June 2026
- the Statement of profit or loss and other comprehensive income 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 policy information
- 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 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 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.

Liability limited by a scheme approved under Professional Standards Legislation.

Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
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03 5443 0344

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: 4 November 2026

Adrian Downing
Lead Auditor

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Bendigo Bank

Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL/Australian Credit Licence 237879. (BNPAR26112) (11/26)