

Annual Report 2025

Byford & Districts
Community Development
Services Limited



Community Bank
Byford & Districts

ABN 49 105 289 450

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Chairman's report

For year ending 30 June 2025



There's no better way to begin this year's report than by celebrating the Community Bank's 20th anniversary! As Chairperson of Byford & Districts Community Development Services Limited, I'm proud to mark this milestone in our community's legacy and reflect on another remarkable year of growth and engagement.

To mark our 20th year, we hosted a special event at Quarry Farm, giving \$20,000 to 20 deserving local groups. It was a memorable day of reflection, celebration, and community spirit.

This year has been rich with community involvement, with our bank proudly supporting and attending many local events. Highlights included the Lions Log Chop and the Food & Farm Fest — two of the largest events we're proud supporters of. Our staff and directors also made time to stay involved with local primary and secondary schools, sporting clubs, the Shire, and our collaborative Buddy Bench project with Rotary. These moments continue to reinforce the powerful connection we share with the community we serve.

As the RBA cash rate hit a decade high, we recognised the ongoing uncertainty many households continued to face. With the first of many anticipated rate cuts now underway, our team remains committed to offering personalised, supportive banking solutions to help ease these pressures as best we can.

The stability throughout most of FY25 enabled another strong performance from our banking portfolio. Our diverse and resilient operations led to an impressive income of \$2.08 million. Most notably, we were able to contribute \$600,000 to the Community Enterprise Foundation™ - a powerful testament to our ongoing community impact and a proud moment for our original shareholders.

Led by Branch Manager Rachael Wall, our dedicated staff have continued to adapt and thrive through regulatory changes, recruitment challenges, and the welcoming of a dramatic increase in customers following the closure of other banks in our region. The board deeply appreciates the care and commitment they bring to every customer interaction.

We are also delighted to welcome Leah, Ange, and Amanda to our board this year, each bringing fresh expertise and energy to our strategic direction. I extend my gratitude to all directors, and to our Company Secretary Claire — your dedication and contributions are felt and appreciated by myself, our staff, and our shareholders.

Looking ahead, we are excited about the opportunities that await. With a renewed focus on community-led initiatives and continued collaboration, we look forward to sharing these plans with you as the next chapter of our journey unfolds.

Jake Branley
Chairperson
Byford & Districts Community Development Services Limited
+61 419 903 889

Manager's report

For year ending 30 June 2025



It is with great pride that I present the Branch Manager's Report for the 2024-2025 Financial Year. This has been another exceptional year of growth, impact, and community connection — a reflection of the dedication of our team, the trust of our customers, and the ongoing support of our Board and shareholders.

At the heart of our success is our outstanding team. I would like to extend my sincere thanks to our staff:

Kelly Manns (Assistant Branch Manager), Nicoleta Vlasceanu (Customer Relationship Manager), Julia English (Customer Relationship Officer), Jenna White (Customer Relationship Officer), Fran Gajda (Customer Service Officer) & Joel Pain (Customer Service Officer).

Your professionalism, customer care, and tireless efforts through a very busy year — particularly in home lending and deposits — have not only driven strong business results but also ensured we remain trusted advisors within our community. Your work is the reason we have exceeded our budget expectations and delivered record support back into the community.

To our Board of Directors, thank you for your strategic guidance and continued belief in our purpose. Your leadership ensures that we remain focused on delivering meaningful outcomes — not just financially, but socially.

To our loyal customers and shareholders, your continued support enables everything we do. When you choose to bank with us, you are part of something bigger. You're helping create a ripple effect of positive change throughout our region.

What truly sets us apart is our commitment to giving back — up to 80% of our profits are returned directly to local not-for-profit organisations. That's not just a statistic; it's a purpose in action. By banking with us, our customers actively contribute to the wellbeing of our local community. This year alone, thanks to strong lending and deposit activity, we've been able to increase our support to these vital community groups.

As we look to the future, I am confident we will continue to grow, evolve, and make an even greater difference — all while staying true to our values of local support, community investment, and personalised service.

In closing, thank you once again to our staff, the Board, our customers, and our shareholders. Together, we are building not just a stronger business, but a stronger community.

Rachael Wall
Branch Manager



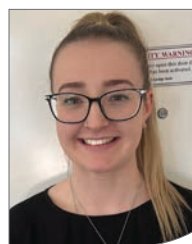
Kelly Manns
Assistant Branch
Manager



**Nicoleta
Vlasceanu**
Customer
Relationship
Manager



Julia English
Customer
Relationship
Officer



Jenna White
Customer
Relationship
Officer



Fran Gajda
Customer Service
Officer

Bendigo and Adelaide Bank report

For year ending 30 June 2025

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

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

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

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

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

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

Justine Minne
Head of Community Banking, Bendigo Bank

Community Bank National Council report

For year ending 30 June 2025



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

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

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

Today the network has grown to 303 Community Bank branches. We represent a diverse cross-section of Australia with more than 214 community enterprises, 70,000+ shareholders, 1,500+ volunteer Directors, 1,700 staff and 998,000 customers.

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

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

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

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

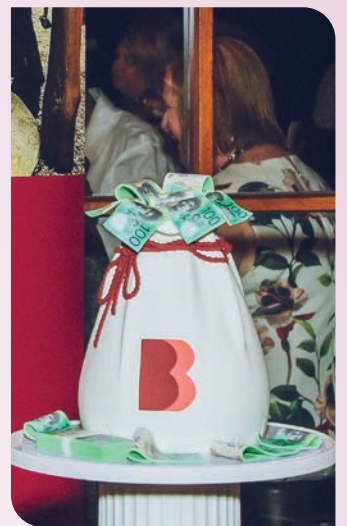
We also recognise the time is now to consider our model and how we combine the value of local presence with new digital capabilities that expand rather than diminish our community impact. This work forms part of the Model Evolution process which will be co-designed with Bendigo Bank and implemented over the next 12 months. Building further on our enhanced digital presence, community roots and measurable impact, we've reached another major milestone. We now have 41 Community Bank companies 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



Directors' report

For the financial year ended 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:



Jake Wrighton Branley

Title: Non-executive director

Experience and expertise: Jake is a Sales & Marketing Manager. He graduated with a Bachelor of Business Law & Marketing at Curtin University. Jake works full time in a paint distribution business offering products to the Automotive, Industrial, Protective, Marine, and Mining Industry. He is an active volunteer at the Mundijong Centrals Football Club across in-house events and also attends events throughout the local & greater community. Motivated with leadership qualities, built upon from leadership roles from High School at Serpentine Jarrahdale Grammar School.

Special responsibilities: Marketing Committee, Chairperson



Raymond John Marchetti

Title: Non-executive director

Experience and expertise: Ray has lived in Byford for 28 years and since 2007 is the Treasurer of the Community Bank. Ray has a Bachelor of Business Degree from Curtin University and has extensive experience in public sector auditing. In 1996, Ray and his wife and young family moved to Byford and ran the local Newsagency - Post Office for 10 years. Nowadays Ray is self-employed in a farming enterprise in the Shire of Beverley, a family investment entity in Geraldton and holds directorships in two other NFP organisations.

Special responsibilities: Treasurer



Denise D'Agnone

Title: Non-executive director

Experience and expertise: Real Estate Agent (Licensee) of Professionals Byford property team since 1995. Currently Rotary Club President. Member since 1998 as a charter member. On the steering committee for the bank.

Special responsibilities: Marketing Committee

Directors' report (continued)

Directors (continued)



Matthew Huy Pham

Title: Non-executive director

Experience and expertise: Matthew is a local business owner and community leader with a background in retail operations, marketing, and governance. He is the owner of Lakeside Fresh IGA in Byford and oversees multiple supermarkets across Perth as part of his family business, the Pham Group of Supermarkets.

He holds a Bachelor of Commerce and a Bachelor of Economics with Honours in Economics from the University of Western Australia. Matthew is a Board Director with Volunteering WA and an active member of Rotary, involved with Rotary Elizabeth Quay and Rotary's Regionalisation Membership team.

In 2023, he was recognised as a 40 Under 40 Award winner for his contributions to business and the community.

Special responsibilities: Nil



Amanda Louise Hill

Title: Non-executive director (appointed 27 March 2025)

Experience and expertise: Amanda has a degree in Business Law from UWA, co-owns a local plumbing and gas business. She is an advocate for food security in the local area, and is a small grower producing food and flowers for local community.

Special responsibilities: Nil.



Leah Maree Horton

Title: Non-executive director (appointed 27 March 2025)

Experience and expertise: Leah is a senior public servant with significant experience across State and Local Government, currently a Director at the Department of Fire and Emergency Services. She graduated from Curtin University with a Bachelor of Commerce in Accounting and Business Law and is also certified in Project Management (Diploma), and Public Participation (Certificate in Engagement). Leah has lived in the Shire of Serpentine-Jarrahdale since 2008, currently residing in Darling Downs with her husband and two children. A dedicated local volunteer, Leah provides Justice of the Peace (JP) services and serves as the Deputy Chairperson on the Byford and Districts Country Club Board of Management, of which she has been a board member since 2020. Leah brings financial, strategic, planning and governance skills to the board and has a focus on ensuring that quality decision making is achieved through good governance. A recent graduate of the Australian Institute of Company Directors achieving the prestigious Order of Merit in the Company Directors Course.

Special responsibilities: Nil.

Directors' report (continued)

Directors (continued)



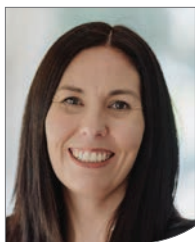
Mary Angela Hayes

Title: Non-executive director (appointed 27 March 2025)

Experience and expertise: Angela is a people-focused consultant and business advisor supported by a solid academic platform in Business and Organisation Studies (BA (Hons) Business and MBA). She brings over two decades experience in Talent & Attraction, Sourcing, Human Resources, Business Management and roles in international sales, business planning and engineering. Her career has been defined by a commitment to building strong, resilient organisations through effective people strategies and cross-sector insight, gained through her consultancy People Concepts and long-standing collaborations with leading corporates, not-for-profits, and SMEs across multiple continents. She has a passion for guiding leadership teams in business, sporting clubs and community groups, mentoring line managers, and enabling scalable growth through tailored, practical solutions. Having recently relocated to WA she appreciates the experiences, challenges and opportunities facing new comers to the local community and looks forward to developing positive relationships with groups within this space.

Special responsibilities: Nil.

Company secretary



The company secretary is Claire Hurst. Claire was appointed to the position of company secretary on 23 January 2020.

Experience and expertise: Claire has been with Bendigo Bank for over 18 years, during which time she has held a variety of roles across both Community Banks and the Corporate Office. Her positions have included Customer Service Officer, Senior Customer Service Officer, and Customer Relationship Officer. She also completed a secondment with the Business Banking Team at Community Sector Banking (CSB), gaining valuable insights into business banking operations.

In the Corporate Office, Claire served as a Local Connection Coordinator, where she developed broad experience in Human Resources, Marketing, Governance, Auditing, and Community Engagement.

Claire has previously served as Company Secretary for four Western Australian Community Bank companies. For over five years, she has held the position of Company Secretary with Byford & Districts Community Development Services Limited.

In addition, Claire has been a nationally based Mentor with Bendigo Bank for over four years, supporting Community Bank companies across Australia and providing guidance in various areas including operations, governance, and policy development.

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 \$240,227 (30 June 2024: \$250,464).

Operations have continued to perform in line with expectations.

Directors' report (continued)

Dividends

During the financial year, the following dividends were provided for and paid. The dividends have been provided for in the financial statements.

	2025 \$	2024 \$
Fully franked dividend of 15 cents per share (2024: 15 cents)	101,604	101,604

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

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

	Board	
	Eligible	Attended
Jake Wrighton Branley	10	9
Raymond John Marchetti	10	10
Denise D'Agnone	10	8
Matthew Huy Pham	10	9
Amanda Louise Hill	3	3
Leah Maree Horton	3	3
Mary Angela Hayes	3	3

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 22 and 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' report (continued)

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
Jake Wrighton Branley	500	-	500
Raymond John Marchetti	-	-	-
Denise D'Agnone	7,000	-	7,000
Matthew Huy Pham	-	-	-
Amanda Louise Hill	-	-	-
Leah Maree Horton	-	-	-
Mary Angela Hayes	-	-	-

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.

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.

Directors' report (continued)

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



Jake Wrighton Branley
Chair

30 September 2025

Auditor's independence declaration



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

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Byford & District Community Development Services Limited

As lead auditor for the audit of Byford & District Community Development Services 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: 30 September 2025

A handwritten signature in black ink, appearing to read 'Joshua Griffin'.

Joshua Griffin
Lead Auditor

Financial statements

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	2,085,263	1,810,574
Other revenue		-	484
Finance revenue		32,998	8,299
Total revenue		2,118,261	1,819,357
Employee benefits expense	7	(667,097)	(602,705)
Advertising and marketing costs		(48,810)	(14,786)
Occupancy and associated costs		(52,943)	(47,688)
System costs		(23,345)	(19,149)
Depreciation and amortisation expense	7	(105,981)	(99,806)
Finance costs	7	(20,580)	(3,350)
General administration expenses		(156,468)	(165,157)
Total expenses before community contributions and income tax expense		(1,075,224)	(952,641)
Profit before community contributions and income tax expense		1,043,037	866,716
Charitable donations and sponsorships expense	7	(722,571)	(534,116)
Profit before income tax expense		320,466	332,600
Income tax expense	8	(80,239)	(82,136)
Profit after income tax expense for the year		240,227	250,464
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		240,227	250,464
		Cents	Cents
Basic earnings per share	26	35.47	36.98
Diluted earnings per share	26	35.47	36.98

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

Financial statements (continued)

Statement of financial position as at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	9	1,882,361	1,024,827
Trade and other receivables	10	201,987	195,840
Total current assets		2,084,348	1,220,667
Non-current assets			
Property, plant and equipment	11	115,091	149,041
Right-of-use assets	12	507,783	34,755
Intangible assets	13	64,443	6,534
Deferred tax assets	8	22,643	15,500
Total non-current assets		709,960	205,830
Total assets		2,794,308	1,426,497
Liabilities			
Current liabilities			
Trade and other payables	14	806,866	70,146
Lease liabilities	15	74,478	40,017
Current tax liabilities	8	20,410	48,835
Employee benefits	16	33,647	38,483
Total current liabilities		935,401	197,481
Non-current liabilities			
Trade and other payables	14	46,825	-
Lease liabilities	15	457,212	-
Employee benefits	16	15,093	12,857
Provisions	17	16,008	31,013
Total non-current liabilities		535,138	43,870
Total liabilities		1,470,539	241,351
Net assets		1,323,769	1,185,146
Equity			
Issued capital	18	647,456	647,456
Retained earnings		676,313	537,690
Total equity		1,323,769	1,185,146

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

Financial statements (continued)

Statement of changes in equity for the year ended 30 June 2025

	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023		647,456	388,830	1,036,286
Profit after income tax expense		-	250,464	250,464
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	250,464	250,464
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	20	-	(101,604)	(101,604)
Balance at 30 June 2024		647,456	537,690	1,185,146
Balance at 1 July 2024		647,456	537,690	1,185,146
Profit after income tax expense		-	240,227	240,227
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	240,227	240,227
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	20	-	(101,604)	(101,604)
Balance at 30 June 2025		647,456	676,313	1,323,769

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

Financial statements (continued)

Statement of cash flows for the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,311,583	1,974,617
Payments to suppliers and employees (inclusive of GST)		(1,177,253)	(1,519,326)
Interest received		30,738	7,480
Income taxes paid		(115,807)	(98,495)
Net cash provided by operating activities	25	1,049,261	364,276
Cash flows from investing activities			
Payments for property, plant and equipment		(2,207)	-
Payments for intangible assets		(14,189)	(13,710)
Net cash used in investing activities		(16,396)	(13,710)
Cash flows from financing activities			
Interest and other finance costs paid		(19,472)	(2,287)
Dividends paid	20	(101,604)	(101,604)
Repayment of lease liabilities		(54,255)	(63,430)
Net cash used in financing activities		(175,331)	(167,321)
Net increase in cash and cash equivalents		857,534	183,245
Cash and cash equivalents at the beginning of the financial year		1,024,827	841,582
Cash and cash equivalents at the end of the financial year	9	1,882,361	1,024,827

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

Notes to the financial statements

For the year ended 30 June 2025

Note 1. Reporting entity

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

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is 6/837 South Western Highway, Byford WA 6122.

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 30 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 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.

Notes to the financial statements (continued)

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.

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Judgements

Timing of revenue recognition associated with trail commission

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

Allowance for expected credit losses on trade and other receivables

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

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

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

Impairment of non-financial assets

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

Recovery of deferred tax assets

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

Lease term

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

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

The company includes extension options applicable to the lease of branch premises in its calculations of both the right-of-use asset and lease liability 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.

Notes to the financial statements (continued)

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

Estimates and assumptions

Estimation of useful lives of assets

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

Incremental borrowing rate

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

Employee benefits provision

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

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

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.

Note 5. Economic dependency

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

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.

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.

Notes to the financial statements (continued)

Note 6. Revenue from contracts with customers

	2025 \$	2024 \$
Margin income	1,933,773	1,649,869
Fee income	93,016	101,378
Commission income	58,474	59,327
	2,085,263	1,810,574

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.

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 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.

Notes to the financial statements (continued)

Note 6. Revenue from contracts with customers (continued)

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	555,194	506,279
Non-cash benefits	22,785	2,892
Superannuation contributions	62,736	58,812
Expenses related to long service leave	4,466	11,150
Other expenses	21,916	23,572
	667,097	602,705

Depreciation and amortisation expense

	2025 \$	2024 \$
<i>Depreciation of non-current assets</i>		
Leasehold improvements	26,800	27,674
Plant and equipment	3,116	2,855
Motor vehicles	6,241	6,241
	36,157	36,770
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	56,787	55,551
<i>Amortisation of intangible assets</i>		
Franchise fee	2,173	1,168
Franchise renewal fee	10,864	6,317
	13,037	7,485
	105,981	99,806

Notes to the financial statements (continued)

Note 7. Expenses (continued)

Finance costs

	2025 \$	2024 \$
Lease interest expense	19,472	2,287
Unwinding of make-good provision	1,108	1,063
	20,580	3,350

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

Charitable donations, sponsorships and grants

	2025 \$	2024 \$
Direct donation, sponsorship and grant payments	90,992	60,432
Contribution to the Community Enterprise Foundation™	631,579	473,684
	722,571	534,116

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

The funds contributed are held by the Community Enterprise Foundation™ (CEF) and are available for distribution as grants to eligible applicants for a specific purpose in consultation with the directors.

When the company pays a contribution in to the CEF, the company loses control over the funds at that point. While the directors are involved in the payment of grants, the funds are not refundable to the company.

Note 8. Income tax

	2025 \$	2024 \$
<i>Income tax expense</i>		
Current tax	87,382	93,835
Movement in deferred tax	(7,143)	(10,564)
Under/over adjustment in respect to prior years	-	(1,135)
Aggregate income tax expense	80,239	82,136
<i>Prima facie income tax reconciliation</i>		
Profit before income tax expense	320,466	332,600
Tax at the statutory tax rate of 25%	80,117	83,150
Tax effect of:		
Non-deductible expenses	122	121
Under/over adjustment	-	(1,135)
Income tax expense	80,239	82,136

Notes to the financial statements (continued)

Note 8. Income tax (continued)

	2025 \$	2024 \$
<i>Deferred tax assets/(liabilities)</i>		
Property, plant and equipment	1,249	(6,199)
Employee benefits	12,185	12,835
Provision for lease make good	4,002	7,753
Income accruals	(770)	(204)
Lease liabilities	132,923	10,004
Right-of-use assets	(126,946)	(8,689)
Deferred tax asset	22,643	15,500

	2025 \$	2024 \$
Provision for income tax	20,410	48,835

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 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

	2025 \$	2024 \$
Cash at bank and on hand	1,882,361	1,024,827

Note 10. Trade and other receivables

	2025 \$	2024 \$
Trade receivables	163,638	179,159
Other receivables	25,989	7,352
Accrued income	3,079	819
Prepayments	9,281	8,510
	38,349	16,681
	201,987	195,840

Notes to the financial statements (continued)

Note 10. Trade and other receivables (continued)

	2025 \$	2024 \$
<i>Financial assets at amortised cost classified as trade and other receivables</i>		
Total trade and other receivables	201,987	195,840
less other receivables (net GST refundable from the ATO)	(25,989)	(7,352)
	175,998	188,488

Note 11. Property, plant and equipment

	2025 \$	2024 \$
Leasehold improvements - at cost	333,991	333,991
Less: Accumulated depreciation	(264,202)	(237,402)
	69,789	96,589
Plant and equipment - at cost	87,789	85,582
Less: Accumulated depreciation	(75,315)	(72,199)
	12,474	13,383
Motor vehicles - at cost	49,927	49,927
Less: Accumulated depreciation	(17,099)	(10,858)
	32,828	39,069
	115,091	149,041

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 \$	Motor vehicles \$	Total \$
Balance at 1 July 2023	124,263	16,238	45,310	185,811
Depreciation	(27,674)	(2,855)	(6,241)	(36,770)
Balance at 30 June 2024	96,589	13,383	39,069	149,041
Additions	-	2,207	-	2,207
Depreciation	(26,800)	(3,116)	(6,241)	(36,157)
Balance at 30 June 2025	69,789	12,474	32,828	115,091

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 20 years
Plant and equipment	2.5 to 40 years
Motor vehicles	8 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.

Notes to the financial statements (continued)

Note 11. Property, plant and equipment (continued)

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	813,235	283,420
Less: Accumulated depreciation	(305,452)	(248,665)
	507,783	34,755

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	87,152
Remeasurement adjustments	3,154
Depreciation expense	(55,551)
Balance at 30 June 2024	34,755
Remeasurement adjustments	529,815
Depreciation expense	(56,787)
Balance at 30 June 2025	507,783

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	105,268	93,444
Less: Accumulated amortisation	(94,528)	(92,355)
	10,740	1,089
Franchise renewal fee	226,342	167,220
Less: Accumulated amortisation	(172,639)	(161,775)
	53,703	5,445
	64,443	6,534

Notes to the financial statements (continued)

Note 13. Intangible assets (continued)

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	2,257	11,762	14,019
Amortisation expense	(1,168)	(6,317)	(7,485)
Balance at 30 June 2024	1,089	5,445	6,534
Additions	11,824	59,122	70,946
Amortisation expense	(2,173)	(10,864)	(13,037)
Balance at 30 June 2025	10,740	53,703	64,443

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)	January 2030
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	January 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	704,260	9,063
Other payables and accruals	102,606	61,083
	806,866	70,146
<i>Non-current liabilities</i>		
Other payables and accruals	46,825	-

Note 15. Lease liabilities

	2025 \$	2024 \$
<i>Current liabilities</i>		
Land and buildings lease liabilities	74,478	40,017
<i>Non-current liabilities</i>		
Land and buildings lease liabilities	457,212	-

Notes to the financial statements (continued)

Note 15. Lease liabilities (continued)

Reconciliation of lease liabilities

	2025 \$	2024 \$
Opening balance	40,017	95,798
Remeasurement adjustments	545,928	7,649
Lease interest expense	19,472	2,287
Lease payments - total cash outflow	(73,727)	(65,717)
	531,690	40,017

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
Byford Branch	7.43%	10 years	1 x 5 years	No	January 2034

Remeasurement adjustments

During the year a new lease for the Byford branch was signed with a 10 year term with one 5 year option available. The company has determined it is not reasonably certain to exercise the extension option available. As such a remeasurement of the right-of-use asset, lease liability and make-good provision occurred using the revised lease term end date of January 2034.

Note 16. Employee benefits

	2025 \$	2024 \$
<i>Current liabilities</i>		
Annual leave	18,563	25,613
Long service leave	15,084	12,870
	33,647	38,483
<i>Non-current liabilities</i>		
Long service leave	15,093	12,857

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.

Notes to the financial statements (continued)

Note 16. Employee benefits (continued)

Accounting policy for other long-term employee benefits

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

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

Note 17. Provisions

	2025 \$	2024 \$
Lease make good provision	16,008	31,013

Lease make good provision

In accordance with the branch lease agreement, the company must restore the leased premises to the original condition before the expiry of the lease term. The company has estimated the provision to be \$31,640 for the Byford branch lease, based on experience and consideration of the expected future costs to remove all fittings and the ATM as well as the cost to remedy any damages caused during the removal process. The lease is due to expire January 2034 at which time it is expected the face-value costs to restore the premises will fall due.

Note 18. Issued capital

	2025 Shares	2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	677,360	677,360	677,360	677,360
Less: Equity raising costs	-	-	(29,904)	(29,904)
	677,360	677,360	647,456	647,456

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.

Notes to the financial statements (continued)

Note 18. Issued capital (continued)

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").

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.

Notes to the financial statements (continued)

Note 20. 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 \$
Fully franked dividend of 15 cents per share (2024: 15 cents)	101,604	101,604

Franking credits

	2025 \$	2024 \$
Franking account balance at the beginning of the financial year	156,234	91,607
Franking credits (debits) arising from income taxes paid (refunded)	115,807	98,495
Franking debits from the payment of franked distributions	(33,868)	(33,868)
	238,173	156,234
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	238,173	156,234
Franking credits (debits) that will arise from payment (refund) of income tax	20,410	48,835
Franking credits available for future reporting periods	258,583	205,069

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

Accounting policy for dividends

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

Note 21. 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.

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.

Notes to the financial statements (continued)

Note 21. Financial risk management (continued)

	2025 \$	2024 \$
<i>Financial assets at amortised cost</i>		
Trade and other receivables (note 10)	175,998	188,488
Cash and cash equivalents (note 9)	1,882,361	1,024,827
	2,058,359	1,213,315
<i>Financial liabilities</i>		
Trade and other payables (note 14)	853,691	70,146
Lease liabilities (note 15)	531,690	40,017
	1,385,381	110,163

Accounting policy for financial instruments

Financial assets

Classification

The company classifies 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 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 \$1,882,361 at 30 June 2025 (2024: \$1,024,827).

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.

Notes to the financial statements (continued)

Note 21. Financial risk management (continued)

	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2025				
Trade and other payables	806,866	46,825	-	853,691
Lease liabilities	76,960	307,840	346,320	731,120
Total non-derivatives	883,826	354,665	346,320	1,584,811

	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2024				
Trade and other payables	70,146	-	-	70,146
Lease liabilities	40,363	-	-	40,363
Total non-derivatives	110,509	-	-	110,509

Note 22. Key management personnel disclosures

The following persons were directors of Byford & Districts Community Development Services Limited during the financial year and/or up to the date of signing of these Financial Statements

Jake Wrighton Branley	Amanda Louise Hill
Raymond John Marchetti	Leah Maree Horton
Denise D'Agnone	Mary Angela Hayes
Matthew Huy Pham	

Compensation

Key management personnel compensation comprised the following.

	2025 \$	2024 \$
Short-term employee benefits	7,000	7,700

Compensation of the company's key management personnel includes salaries and superannuation.

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:

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

Notes to the financial statements (continued)

Note 23. Related party transactions (continued)

	2025 \$	2024 \$
During the period, a sponsorship was made to the Rotary Club of Byford & Districts of which a director is President. The total benefit received was:	-	2,500
Matthew Pham's business provided catering services to the company during the year. The value of the catering services were:	109	118
The company paid a sponsorship to Byford District Community Club. The total benefit received was:	517	-
The company paid a sponsorship to the Rotary Walk for Mental Health. The total benefit received was:	1,500	-
The company paid a sponsorship to the Rotary Peace Poles. The total benefit received was:	1,500	-

Note 24. Remuneration of auditors

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

	2025 \$	2024 \$
<i>Audit services</i>		
Audit or review of the financial statements	7,930	7,425
<i>Other services</i>		
Taxation advice and tax compliance services	1,124	1,514
General advisory services	3,800	3,320
Share registry services	11,004	9,451
	15,928	14,285
	23,858	21,710

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

	2025 \$	2024 \$
Profit after income tax expense for the year	240,227	250,464
Adjustments for:		
Depreciation and amortisation	105,981	99,806
Lease liabilities interest	19,472	2,287
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(6,147)	11,556
Increase in deferred tax assets	(7,143)	(10,563)
Increase in trade and other payables	726,788	2,526
Decrease in provision for income tax	(28,425)	(5,796)
Increase/(decrease) in employee benefits	(2,600)	12,933
Increase in other provisions	1,108	1,063
Net cash provided by operating activities	1,049,261	364,276

Notes to the financial statements (continued)

Note 26. Earnings per share

	2025 \$	2024 \$
Profit after income tax	240,227	250,464

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	677,360	677,360
Weighted average number of ordinary shares used in calculating diluted earnings per share	677,360	677,360

	Cents	Cents
Basic earnings per share	35.47	36.98
Diluted earnings per share	35.47	36.98

Accounting policy for earnings per share

Basic and diluted earnings per share is calculated by dividing the profit attributable to the owners of Byford & Districts Community Development Services Limited, by the weighted average number of ordinary shares outstanding during the financial year.

Note 27. Commitments

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

Note 28. Contingencies

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

Note 29. Events after the reporting period

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.

Directors' declaration

For the financial year ended 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



Jake Wrighton Branley
Chair

30 September 2025

Independent audit report



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

Independent auditor's report to the Directors of Byford & District Community Development Services Limited Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Byford & District Community Development Services 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 Byford & District Community Development Services 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.

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 30 September 2025

A handwritten signature in black ink, appearing to read 'Joshua Griffin'.

Joshua Griffin
Lead Auditor

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