

Collie & Districts Community Financial Services Limited

ABN 76 096 536 355

Financial Report - 30 June 2026

Collie & Districts Community Financial Services Limited

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: Wayne Sanford
Title: Non-executive director (*appointed 27 January 2026*)
Experience and expertise: Wayne Robert Sanford is currently employed as an Electrical Supervisor with MACA Mining and is a qualified Electrical Instrument Tradesperson. He holds a Diploma in Business (Frontline Management) and has extensive leadership and governance experience. Wayne served as President of the Shire of Collie from 2007 to 2017 and has previously served as a Board Member of the Southwest Development Commission and the Bunbury Wellington Economic Alliance.
Special responsibilities: Chair

Name: Carina Roney
Title: Deputy Chair (*Appointed 15 January 2026*)
Experience and expertise: Carina Kristina Roney has over 35 years of experience in corporate and international tax law, accounting and finance. She holds a Bachelor of Commerce and a Master of Applied Finance and has been a member of Chartered Accountants Australia and New Zealand (CA ANZ) for 30 years.

Carina commenced her career in professional services before moving into senior management roles with Qantas. She is currently employed by Virgin Australia, specialising in aircraft financing and leasing, contract review and negotiation, tax governance and risk management, government and regulatory engagement, project research, and strategic business advisory.

Carina also has extensive governance experience, having served on several not-for-profit boards over the past 15 years, including Harbour Refuge and Support Services, which provides support programs for women and children escaping domestic violence.

Name: Val Bronickis
Title: Non-executive director (*Appointed 28 December 2025*)
Experience and expertise: I began my working career with CBA, working in this position until I left to start a family, returning part time between my second and third child.

Once my children were at school I returned to the workforce with Water Corporation and moved from there to Southern Districts Estate Agency in 1992 until the present, however now under Elders banner and on a part-time basis. I began in property management, looking after a large residential portfolio and commercial properties, later moving into residential sales. I remained in this position for approx. 20 years, then transferred back to Commercial Property Management. This position also covered Rural and Commercial Sales. In 2020 I left full-time employment, however continued with Elders on a part-time basis.

I was a Committee Member of Collie Netball Association for many years and held the office of Secretary and Junior Coordinator during that period and I am a life member. I am still actively involved in netball, being the Manager for the Masters team in the Southwest Football-Netball competition.

Special responsibilities: Member of Finance and Community Development committees

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Name:	Greg Coverley
Title:	Non-executive director (<i>appointed 27 January 2026</i>)
Experience and expertise:	Company Director – Heavy duty mechanic- Casual bus driver 14 years - Amaroo Primary School Board Member 12 years - Board Vice Chairman – Australian Forest Contractors Association 9 years – Collie Eagles Football Club – Finance Director 6 years – Board Member – West Australian Clay Target Association – Zone 6 delegate 6 years - Collie Clay Target Association Committee Member Southwest Football League Executive Committee Member Southwest Football League - Chairman of the Points and Bylaws Committee
Name:	Sasacha Shepherd
Title:	Non-executive director (<i>Resigned 9 October 2025</i>) (<i>appointed 26 February 2026</i>)
Experience and expertise:	Sasacha Sheperd is a local business owner and passionate advocate for the Collie Community. As the owner of Everything Under the Sun, she has extensive experience in retail management, customer service, business operations, finance, marketing and team leadership. With a strong commitment to supporting local businesses and community development. Sasacha also serves as Chair of the Collie Chamber of Commerce & Industry, where she works collaboratively to promote economic growth and strengthen connections across the business community, Sasacha brings practical leadership, strategic thinking and a genuine passion for helping local organisations thrive. Her experience in small business, governance and community engagement enables her to contribute valuable insight to the Community Bank Collie & Districts Board, supporting initiatives that create lasting benefits for the region.
Special responsibilities:	Chair, Human Resources Committee and Marketing & Community Development Committee
Name:	Julie Pellicciari
Title:	Non-executive director (<i>appointed 1 April 2026</i>)
Experience and expertise:	A long-standing member of the Collie community, Julie brings extensive industry and business experience gained through many years of business ownership and employment across organisations in the Collie and Greater Bunbury region. Her expertise includes business risk management, corporate and board governance, strategic planning and reporting, development and implementation of local and national marketing initiatives, work health and safety compliance, government relations, stakeholder and community engagement, environmental monitoring and reporting, and human resource management. With a strong understanding of the local community, its needs and culture, Julie has served on a number of not-for-profit boards, providing strategic oversight and contributing governance expertise and community-focused leadership.
Special responsibilities:	Member of Community Development Committee
Name:	Vanessa Emmett
Title:	Non-executive director (<i>resigned 11 July 2025</i>)
Experience and expertise:	Community Development Officer for the Shire of Collie, Chairperson of the Collie Festival Committee, Event Director of Collie River Trail Parkrun, Committee Member of the PCYC Advisory Board. Past employment includes Swimming Teacher for the education Department of WA, Crew Member at McDonalds, Tour guide in Australia and Africa and Qualified Norland Nanny.
Special responsibilities:	Human Resources Committee and Scholarship & Magic Moments Committee

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Name:	Allison Jean Fergie
Title:	Non-executive director (<i>Resigned 9 October 2025</i>)
Experience and expertise:	Previously a secondary school teacher, then worked in local government as a community development officer and Director of Corporate Services. Currently a Principal Licensing Coordinator with LGIRS. Tertiary qualifications are a Bachelor of Science, Diploma of Education and Masters in Religious Education.
Special responsibilities:	Member of Marketing and Finance committees
Name:	Shenae Chappell
Title:	Non-executive director (<i>Resigned 10 October 2025</i>)
Experience and expertise:	Shenae brings strong business acumen to the board, having successfully operated her own hairdressing salon, Iridescent Studio, in Collie for several years. She began her career in hairdressing in 2010 and commenced her apprenticeship in 2011. During her early career, she actively contributed to community initiatives, including volunteering for the World's Greatest Shave events. This experience sparked a lasting passion for community engagement and development. Shenae is deeply committed to the Collie community and has consistently demonstrated a drive to help it thrive. She currently serves on the Management Committee of the Collie Chamber of Commerce & Industry. Her entrepreneurial background and grassroots involvement make her a valuable contributor to the board's strategic direction and community-focused initiatives.
Special responsibilities:	Member of the Marketing Committee and Premises Committee
Name:	John Piavanini
Title:	Non-executive director (<i>Resigned 13 November 2025</i>)
Experience and expertise:	Semi-retired mine maintenance and parts supplier, property rental owner, and former Collie Shire Councillor with 18 years of service. Past President of the WA Axemen's League and current State President of the Vintage Tractor and Machinery Association of WA.
Special responsibilities:	Chair of Marketing & Community Development Committee
Name:	Kenneth Smallwood
Title:	Non-executive director (<i>resigned 13 November 2025</i>)
Experience and expertise:	Kenneth is currently retired and a ex-Chief Engineer UK Merchant Navy, emigrated to WA from Scotland in 1983. Worked in the Power Generation industry in WA, SE Asia and Singapore for over 24 years, in various positions in both operations and maintenance. Former Treasurer of Collie Community Bank.
Special responsibilities:	Marketing & Community Development Committee, Premises Committee and Finance Committee
Name:	Ian Miffling
Title:	Non-executive director (<i>Resigned 27 January 2026</i>)
Experience and expertise:	Ian is currently retired and a former Chief Executive Officer of the Shire of Collie. Ian has been awarded the Order of Australia Medal (OAM) and Justice of the Peace. Ian's experience includes Collie Shire President, Board Secretary of the Coal Miners' Welfare Board of WA, Chair of the Worsley Alumina (South32) Community Liaison Committee, Secretary of the North Collie Hall Management Group, President of the Collie Lawn Tennis Club, Member of the District Health Advisory Committee.
Special responsibilities:	Finance Committee, Scholarship & Magic Moments Committee and Marketing & Community Development Committee
Name:	Doug Chapman
Title:	Non-executive director (<i>appointed 3 March 2026</i>) (<i>resigned 1 July 2026</i>)
Experience and expertise:	Panel Beater, Spray Painter, Coalfields Hockey Delegate, Centaurs Hockley Club Treasurer, Apprentice Trainer Panel & Paints Industry, Director.

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Directors' report
30 June 2026

Company secretary

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

- Joy Rollason was appointed company secretary on 24 November 2025.
- Sasacha Shepherd was appointed company secretary on 11 July 2025 and resigned on 9 October 2025..

Experience and expertise: Joy holds a bachelors degree in Information Services (Librarianship), a graduate diploma in Applied Corporate Governance and a diploma in Project Management. She has a strong background in banking, quality assurance, administration and proofreading and more than 25 years of company secretarial experience with unlisted public companies.

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 \$226,581 (2025: \$382,132)

Operations have continued to perform in line with expectations.

Dividends

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

	2026 \$	2025 \$
Fully franked dividend of 40 cents per share (2025: 42 cents)	<u>172,104</u>	<u>180,709</u>

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 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.

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Meetings of directors

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

	Board Meetings		CDCF Meetings	
	Eligible	Attended	Eligible	Attended
Wayne Sanford	5	5	1	1
Carina Roney	5	4	2	2
Val Bronickis	5	5	2	2
Greg Coverley	5	5	-	-
Sasacha Shepherd	6	4	-	-
Julie Pellicciari	2	2	1	-
Vanessa Emmett	-	-	-	-
Allison Jean Fergie	3	3	3	3
Shenae Chappell	3	3	2	1
John Piavanini	4	3	4	3
Kenneth Smallwood	4	4	-	-
Ian Miffling	6	6	5	5
Doug Chapman	3	-	-	-

Where CDCF refers to Community Engagement Committee.

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 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
Wayne Sanford	-	-	-
Carina Roney	-	-	-
Val Bronickis	-	1,000	1,000
Greg Coverley	-	10,000	10,000
Sasacha Shepherd	800	-	800
Julie Pellicciari	-	1,000	1,000
Vanessa Emmett	-	-	-
Allison Jean Fergie	300	-	300
Shenae Chappell	-	-	-
John Piavanini	2,501	-	2,501
Kenneth Smallwood	20,000	-	20,000
Ian Miffling	1,001	-	1,001
Doug Chapman	-	400	400

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.

Collie & Districts Community Financial Services Limited

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30 June 2026

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 23 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


Wayne Sanford (Sep 22, 2026 13:55:37 GMT+8)

Wayne Sanford
Chair

22 September 2026



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 Collie & Districts Community Financial Services Limited

As lead auditor for the audit of Collie & Districts Community Financial Services Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 22 September 2026

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

Lachlan Tatt
Lead Auditor

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

	Note	2026 \$	2025 \$
Revenue from contracts with customers	7	2,042,122	2,024,627
Other revenue		23,080	33,010
Finance revenue		67,978	79,971
Total revenue		<u>2,133,180</u>	<u>2,137,608</u>
Employee benefits expense	8	(923,540)	(891,315)
Advertising and marketing costs		(27,018)	(37,430)
Occupancy and associated costs		(26,230)	(44,667)
System costs		(27,849)	(26,590)
Depreciation and amortisation expense	8	(70,506)	(68,455)
Loss on disposal of assets		(57)	-
General administration expenses		(185,553)	(168,953)
Total expenses before community contributions and income tax expense		<u>(1,260,753)</u>	<u>(1,237,410)</u>
Profit before community contributions and income tax expense		872,427	900,198
Charitable donations and sponsorships expense	8	<u>(569,565)</u>	<u>(389,072)</u>
Profit before income tax expense		302,862	511,126
Income tax expense	9	<u>(76,281)</u>	<u>(128,994)</u>
Profit after income tax expense for the year		226,581	382,132
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>226,581</u></u>	<u><u>382,132</u></u>
		Cents	Cents
Basic earnings per share	25	52.66	88.81
Diluted earnings per share	25	52.66	88.81

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

Collie & Districts Community Financial Services Limited
Statement of financial position
As at 30 June 2026

	Note	2026 \$	2025 Restated \$
Assets			
Current assets			
Cash and cash equivalents	10	197,629	251,890
Trade and other receivables	11	210,821	187,378
Investments	12	1,312,052	1,257,282
Current tax assets	9	92,171	18,759
Total current assets		<u>1,812,673</u>	<u>1,715,309</u>
Non-current assets			
Property, plant and equipment	13	710,327	746,690
Intangible assets	14	4,303	17,215
Deferred tax assets	9	28,799	18,283
Total non-current assets		<u>743,429</u>	<u>782,188</u>
Total assets		<u>2,556,102</u>	<u>2,497,497</u>
Liabilities			
Current liabilities			
Trade and other payables	15	46,886	73,691
Employee benefits	16	115,633	100,658
Total current liabilities		<u>162,519</u>	<u>174,349</u>
Non-current liabilities			
Employee benefits	16	36,757	20,799
Total non-current liabilities		<u>36,757</u>	<u>20,799</u>
Total liabilities		<u>199,276</u>	<u>195,148</u>
Net assets		<u>2,356,826</u>	<u>2,302,349</u>
Equity			
Issued capital	17	430,259	430,259
Retained earnings		<u>1,926,567</u>	<u>1,872,090</u>
Total equity		<u>2,356,826</u>	<u>2,302,349</u>

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

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

	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2024		430,259	1,670,667	2,100,926
Profit after income tax expense		-	382,132	382,132
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	382,132	382,132
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	19	-	(180,709)	(180,709)
Balance at 30 June 2025		<u>430,259</u>	<u>1,872,090</u>	<u>2,302,349</u>
 Balance at 1 July 2025		 430,259	 1,872,090	 2,302,349
Profit after income tax expense		-	226,581	226,581
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	226,581	226,581
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	19	-	(172,104)	(172,104)
Balance at 30 June 2026		<u>430,259</u>	<u>1,926,567</u>	<u>2,356,826</u>

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

Collie & Districts Community Financial Services Limited
Statement of cash flows
For the year ended 30 June 2026

	Note	2026 \$	2025 Restated \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,241,765	2,251,965
Payments to suppliers and employees (inclusive of GST)		(1,945,728)	(1,764,878)
Interest received		70,050	71,532
Income taxes paid		<u>(160,209)</u>	<u>(214,676)</u>
Net cash provided by operating activities	24	<u>205,878</u>	<u>343,943</u>
Cash flows from investing activities			
Investment in managed funds		(54,770)	(15,719)
Payments for property, plant and equipment	13	(21,444)	(90,395)
Payments for intangible assets		(14,594)	(14,594)
Proceeds from disposal of property, plant and equipment		<u>2,773</u>	<u>33,636</u>
Net cash used in investing activities		<u>(88,035)</u>	<u>(87,072)</u>
Cash flows from financing activities			
Dividends paid	19	<u>(172,104)</u>	<u>(180,709)</u>
Net cash used in financing activities		<u>(172,104)</u>	<u>(180,709)</u>
Net increase/(decrease) in cash and cash equivalents		(54,261)	76,162
Cash and cash equivalents at the beginning of the financial year		<u>251,890</u>	<u>175,728</u>
Cash and cash equivalents at the end of the financial year	10	<u><u>197,629</u></u>	<u><u>251,890</u></u>

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

Collie & Districts Community Financial Services Limited
Notes to the financial statements
30 June 2026

Note 1. Reporting entity

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

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is 70 Forrest Street, Collie WA 6225.

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

Note 2. Basis of preparation and statement of compliance

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

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 22 September 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.

Collie & Districts Community Financial Services Limited
Notes to the financial statements
30 June 2026

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.

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

Impairment of financial assets

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

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

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

Impairment of non-financial assets

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

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

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

Note 4. Critical accounting judgements, estimates and assumptions

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

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

Collie & Districts Community Financial Services Limited
Notes to the financial statements
30 June 2026

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

Judgements

Timing of revenue recognition associated with trail commission

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

Allowance for expected credit losses on trade and other receivables

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

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

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

Impairment of non-financial assets

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

Recovery of deferred tax assets

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

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.

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 eligible for entitlement in accordance with long service leave legislation.

Note 5. Economic dependency

The company's franchise agreement includes two renewal options of five years each. Under the terms of the franchise agreement, Bendigo Bank will renew the agreement upon the company's request, subject to the company satisfying certain conditions. The key conditions for renewal include:

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Note 5. Economic dependency (continued)

- compliance with conditions under the existing agreement
- maintaining valid lease agreement/s for branch premise where applicable
- ensuring branch premises meet Bendigo Bank's fit-out requirements at the time of renewal.

The directors have assessed the company's ability to meet these conditions and, to the best of their knowledge, believe they have been and will continue to be satisfied. Accordingly, the directors have a reasonable expectation that the franchise agreement will be renewed for a further five year term upon expiry in October 2026. Based on this assessment, no material uncertainty has been identified that may cast significant doubt on the company's ability to continue as a going concern, and the financial report has been prepared on a going concern basis.

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.

Note 6. Restatement of comparatives

Reclassification of investment account

During the year, the directors reviewed the classification of financial assets under AASB 107 Statement of Cash Flows and AASB 9 Financial Instruments. The Sandhurst Trustees Investment account previously classified as cash and cash equivalents, has been reclassified as a current investment measured at fair value through profit and loss. This reflects its withdrawal restrictions, unitised structure, and exposure to fair value changes.

The change in classification had the following impacts on comparative figures:

- Cash and cash equivalents decreased and investments increased by \$1,257,282 at 30 June 2025.
- Opening and closing cash balances in the Statement of cash flows were adjusted accordingly.
- Related movements are now shown as investing activities in the Statement of cash flows.

The change in classification had no impact on the company's net profit or net position.

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Note 7. Revenue from contracts with customers

	2026	2025
	\$	\$
Margin income	1,806,736	1,801,394
Fee income	88,195	103,560
Commission income	147,191	119,673
	<u>2,042,122</u>	<u>2,024,627</u>

Accounting policy for revenue from contracts with customers

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

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

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

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

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

Revenue calculation

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

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.

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Note 7. 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 8. Expenses

Employee benefits expense

	2026	2025
	\$	\$
Wages and salaries	761,150	741,599
Non-cash benefits	11,768	8,861
Superannuation contributions	93,399	88,439
Expenses related to long service leave	24,940	18,177
Other expenses	32,283	34,239
	<u>923,540</u>	<u>891,315</u>

Depreciation and amortisation expense

	2026	2025
	\$	\$
<i>Depreciation of non-current assets</i>		
Buildings	8,986	8,985
Improvements	29,873	27,335
Plant and equipment	10,595	9,983
Motor vehicles	8,140	8,737
	<u>57,594</u>	<u>55,040</u>

Amortisation of intangible assets

Franchise fee	2,152	2,236
Franchise renewal fee	10,760	11,179
	<u>12,912</u>	<u>13,415</u>
	<u>70,506</u>	<u>68,455</u>

Leases recognition exemption

	2026	2025
	\$	\$
Expenses relating to low-value leases	<u>8,606</u>	<u>8,607</u>

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Note 8. Expenses (continued)

Charitable donations, sponsorships and grants

	2026	2025
	\$	\$
Direct donation, sponsorship and grant payments	69,565	73,283
Contribution to the Community Enterprise Foundation™ (CEF)	500,000	315,789
	<u>569,565</u>	<u>389,072</u>

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 to and held by the CEF 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.

Community Enterprise Foundation™ contributions

	2026	2025
	\$	\$
<i>Disaggregation of CEF funds</i>		
Opening balance	971,622	763,442
Contributions paid in	500,000	315,789
Grants paid out	(612,779)	(125,817)
Interest received	19,728	33,997
Management fees incurred	(24,998)	(15,789)
	<u>853,573</u>	<u>971,622</u>
Balance available for distribution	<u>853,573</u>	<u>971,622</u>

Note 9. Income tax

	2026	2025
	\$	\$
<i>Income tax expense</i>		
Current tax	86,797	138,285
Movement in deferred tax	(10,516)	(9,291)
	<u>76,281</u>	<u>128,994</u>
Aggregate income tax expense	<u>76,281</u>	<u>128,994</u>
<i>Prima facie income tax reconciliation</i>		
Profit before income tax expense	302,862	511,126
Tax at the statutory tax rate of 25%	75,716	127,782
Tax effect of:		
Non-deductible expenses	565	1,212
	<u>76,281</u>	<u>128,994</u>
Income tax expense	<u>76,281</u>	<u>128,994</u>

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Notes to the financial statements
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Note 9. Income tax (continued)

	2026	2025
	\$	\$
<i>Deferred tax assets/(liabilities)</i>		
Employee benefits	38,097	30,364
Income accruals	(3,772)	(4,290)
Property, plant and equipment	(5,526)	(7,791)
	<u>28,799</u>	<u>18,283</u>
Deferred tax asset		
	2026	2025
	\$	\$
Income tax refund due	<u>92,171</u>	<u>18,759</u>

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 10. Cash and cash equivalents

	2026	2025
	\$	Restated
	\$	\$
Cash at bank and on hand	<u>197,629</u>	<u>251,890</u>

Note 11. Trade and other receivables

	2026	2025
	\$	\$
Trade receivables	<u>183,622</u>	<u>157,109</u>
Other receivables and accruals	242	1,161
Accrued income	15,087	17,159
Prepayments	<u>11,870</u>	<u>11,949</u>
	<u>27,199</u>	<u>30,269</u>
	<u>210,821</u>	<u>187,378</u>

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Notes to the financial statements
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Note 11. Trade and other receivables (continued)

	2026	2025
	\$	\$
<i>Financial assets at amortised cost classified as trade and other receivables</i>		
Total trade and other payables	210,821	187,378
Less prepayments, included in trade and other receivables	<u>(11,870)</u>	<u>(11,949)</u>
	<u><u>198,951</u></u>	<u><u>175,429</u></u>

Accounting policy for trade and other receivables

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

Note 12. Investments

	2026	2025
	\$	Restated
		\$
<i>Current assets</i>		
Managed funds	<u><u>1,312,052</u></u>	<u><u>1,257,282</u></u>

Note 13. Property, plant and equipment

	2026	2025
	\$	\$
Land - at cost	<u>200,000</u>	<u>200,000</u>
Buildings - at cost	359,421	359,421
Less: Accumulated depreciation	<u>(118,551)</u>	<u>(109,565)</u>
	<u>240,870</u>	<u>249,856</u>
Improvements - at cost	362,160	347,808
Less: Accumulated depreciation	<u>(174,948)</u>	<u>(145,663)</u>
	<u>187,212</u>	<u>202,145</u>
Plant and equipment - at cost	86,019	92,654
Less: Accumulated depreciation	<u>(59,884)</u>	<u>(62,215)</u>
	<u>26,135</u>	<u>30,439</u>
Motor vehicles - at cost	65,120	65,120
Less: Accumulated depreciation	<u>(9,010)</u>	<u>(870)</u>
	<u>56,110</u>	<u>64,250</u>
	<u><u>710,327</u></u>	<u><u>746,690</u></u>

Collie & Districts Community Financial Services Limited
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Note 13. 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:

	Land \$	Buildings \$	Improvements \$	Plant and equipment \$	Motor vehicles \$	Total \$
Balance at 1 July 2024	200,000	258,841	209,014	35,613	8,493	711,961
Additions	-	-	20,466	4,809	65,120	90,395
Disposals	-	-	-	-	(626)	(626)
Depreciation	-	(8,985)	(27,335)	(9,983)	(8,737)	(55,040)
Balance at 30 June 2025	200,000	249,856	202,145	30,439	64,250	746,690
Additions	-	-	14,940	6,504	-	21,444
Disposals	-	-	-	(213)	-	(213)
Depreciation	-	(8,986)	(29,873)	(10,595)	(8,140)	(57,594)
Balance at 30 June 2026	<u>200,000</u>	<u>240,870</u>	<u>187,212</u>	<u>26,135</u>	<u>56,110</u>	<u>710,327</u>

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 diminishing value and straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Buildings	40 years
Improvements	1 to 13 years
Plant and equipment	1 to 20 years
Motor vehicles	5 to 8 years

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

Improvements are depreciated over the estimated useful life of the assets which is generally based on expected re-fit requirements.

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 14. Intangible assets

	2026 \$	2025 \$
Franchise fee	72,131	72,131
Less: Accumulated amortisation	(71,414)	(69,262)
	<u>717</u>	<u>2,869</u>
Franchise renewal fee	99,465	99,465
Less: Accumulated amortisation	(95,879)	(85,119)
	<u>3,586</u>	<u>14,346</u>
	<u>4,303</u>	<u>17,215</u>

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Note 14. 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 2024	5,105	25,525	30,630
Amortisation expense	(2,236)	(11,179)	(13,415)
Balance at 30 June 2025	2,869	14,346	17,215
Amortisation expense	(2,152)	(10,760)	(12,912)
Balance at 30 June 2026	<u>717</u>	<u>3,586</u>	<u>4,303</u>

Accounting policy for intangible assets

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

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

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

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

<u>Asset class</u>	<u>Method</u>	<u>Useful life</u>	<u>Expiry/renewal date</u>
Franchise fee	Straight-line	Over the franchise term (5 years)	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 \$
<i>Current liabilities</i>		
Trade payables	927	6,519
Other payables and accruals	<u>45,959</u>	<u>67,172</u>
	<u>46,886</u>	<u>73,691</u>
	2026 \$	2025 \$
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	46,886	73,691
Less: other payables and accruals (net GST refundable from/(payable to) the ATO)	<u>4,854</u>	<u>(3,486)</u>
	<u>51,740</u>	<u>70,205</u>

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Note 16. Employee benefits

	2026 \$	2025 \$
<i>Current liabilities</i>		
Annual leave	59,143	53,150
Long service leave	56,490	47,508
	<u>115,633</u>	<u>100,658</u>
<i>Non-current liabilities</i>		
Long service leave	36,757	20,799
	<u>152,390</u>	<u>121,457</u>

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

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

Note 17. Issued capital

	2026 Shares	2025 Shares	2026 \$	2025 \$
Ordinary shares - fully paid	430,259	430,259	430,259	430,259

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.

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Note 17. Issued capital (continued)

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").

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 18. 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%.

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Note 18. Capital management (continued)

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 19. Dividends

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.

	2026 \$	2025 \$
Fully franked dividend of 40 cents per share (2025: 42 cents)	<u>172,104</u>	<u>180,709</u>

Franking credits

	2026 \$	2025 \$
Franking account balance at the beginning of the financial year	841,010	686,570
Franking credits (debits) arising from income taxes paid (refunded)	160,209	214,676
Franking debits from the payment of franked distributions	<u>(57,368)</u>	<u>(60,236)</u>
	<u>943,851</u>	<u>841,010</u>

Franking transactions that will arise subsequent to the financial year end:

Balance at the end of the financial year	943,851	841,010
Franking credits (debits) that will arise from payment (refund) of income tax	<u>(92,171)</u>	<u>(18,759)</u>
Franking credits available for future reporting periods	<u>851,680</u>	<u>822,251</u>

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 20. Financial risk management

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

Collie & Districts Community Financial Services Limited
Notes to the financial statements
30 June 2026

Note 20. Financial risk management (continued)

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 10)	197,629	251,890
Trade and other receivables excluding prepayments (note 11)	198,951	175,429
	<u>396,580</u>	<u>427,319</u>
Financial assets at fair value through profit or loss		
Investments (note 12)	<u>1,312,052</u>	<u>1,257,282</u>
Financial liabilities		
Trade and other payables (note 15)	<u>51,740</u>	<u>70,205</u>

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

Accounting policy for financial instruments

Financial assets

Classification

The company classifies its financial assets into the following categories:

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

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

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

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.

Collie & Districts Community Financial Services Limited
Notes to the financial statements
30 June 2026

Note 20. Financial risk management (continued)

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. Interest-rate risk could also arise from long-term borrowings. Borrowings issued at variable rates expose the company to cash flow interest-rate risk. The company held cash and cash equivalents of \$197,629 and investments of \$1,312,052 at 30 June 2026 (2025: \$251,890 and \$1,257,282).

Price risk

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

Liquidity risk

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

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

	1 year or less	Between 1	Over 5 years	Remaining
	\$	and 5 years		contractual
		\$	\$	maturities
				\$
2026				
Trade and other payables	51,740	-	-	51,740
Total non-derivatives	51,740	-	-	51,740
	1 year or less	Between 1	Over 5 years	Remaining
	\$	and 5 years		contractual
		\$	\$	maturities
				\$
2025				
Trade and other payables	70,205	-	-	70,205
Total non-derivatives	70,205	-	-	70,205

Note 21. Key management personnel disclosures

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

Wayne Sanford	Allison Jean Fergie
Carina Roney	Shenae Chappell
Val Bronickis	John Piavanini
Greg Coverley	Kenneth Smallwood
Sasacha Shepherd	Ian Miffling
Julie Pellicciari	Doug Chapman
Vanessa Emmett	

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

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

Note 22. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 21.

Collie & Districts Community Financial Services Limited
Notes to the financial statements
30 June 2026

Note 22. Related party transactions (continued)

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 \$
A Director owns and operates a local variety store. The company entered into transactions with this entity to purchase stationary and Christmas decorations.	1,028	8,115
A director is affiliated with Harbour Refuge and Support Services, to which the company made a donation.	1,000	-
A director is affiliated with Heart Hub SouthWest, to which the company provided sponsorship.	1,000	-
The daughter of a director was employed by the company as a casual employee on normal employment terms and conditions. Remuneration paid during the financial year was:	6,070	-

Note 23. 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 \$
<i>Audit services</i>		
Audit or review of the financial statements	8,185	7,930
<i>Other services</i>		
Taxation advice and tax compliance services	3,809	3,989
General advisory services	3,945	3,215
Share registry services	11,926	7,543
	19,680	14,747
	<u>27,865</u>	<u>22,677</u>

Collie & Districts Community Financial Services Limited
Notes to the financial statements
30 June 2026

Note 24. Reconciliation of profit after income tax to net cash provided by operating activities

	2026	2025
	\$	\$
Profit after income tax expense for the year	226,581	382,132
Adjustments for:		
Depreciation and amortisation	70,506	68,455
Net gain on disposal of non-current assets	(2,618)	(33,010)
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(23,385)	7,106
Increase in income tax refund due	(73,412)	(18,759)
Increase in deferred tax assets	(10,516)	(9,291)
Decrease in trade and other payables	(12,211)	(14,371)
Decrease in provision for income tax	-	(57,632)
Increase in employee benefits	30,933	19,313
Net cash provided by operating activities	<u>205,878</u>	<u>343,943</u>

Note 25. Earnings per share

	2026	2025
	\$	\$
Profit after income tax	<u>226,581</u>	<u>382,132</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>430,259</u>	<u>430,259</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>430,259</u>	<u>430,259</u>
	Cents	Cents
Basic earnings per share	52.66	88.81
Diluted earnings per share	52.66	88.81

Note 26. Commitments

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

Note 27. Contingencies

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

Note 28. Events after the reporting period

No 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.

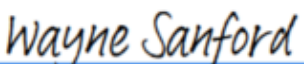
Collie & Districts Community Financial Services Limited
Directors' declaration
30 June 2026

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;
- 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


Wayne Sanford (Sep 22, 2026 13:55:37 GMT+8)

Wayne Sanford
Chair

22 September 2026



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 Collie & Districts Community Financial Services Limited

Report on the Audit of the Financial Report

Our opinion

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

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

What we have audited

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

- the Statement of financial position as at 30 June 2026
- the Statement of profit or loss and other comprehensive income for the year ended 30 June 2026
- the Statement of changes in equity for the year ended 30 June 2026
- the Statement of cash flows for the year ended 30 June 2026
- the notes to the financial statements, including material accounting policies, and
- the Directors' declaration.

Basis for opinion

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

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

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

Other information

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



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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf
This description forms part of our auditor's report.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 22 September 2026

Lachlan Tatt
Lead Auditor