

# Annual Report 2025

Dandenong Ranges  
Community Finance Limited

Community Bank  
Upwey & District and Emerald & District  
ABN 28 084 480 035



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# Chair's report

For year ending 30 June 2025

It is my pleasure as your Chair to present this report for the 2024/25 financial year.

As a proud franchisee of Bendigo and Adelaide Bank, one of Australia's most trusted brands, we have had a very busy year and look forward to our continuing provision of exceptional banking services to our community as we move into the future.

The past financial year saw us mark 26 years of operations since opening our flagship Community Bank in Upwey. As part of our strategic plan to ensure performance sustainability, continued social purpose and relevance to our community, we implemented our re-structure program, whereby Community Bank Belgrave closed, with customers transferred to our Community Bank Upwey & District, and we also relocated Community Bank Cockatoo-Gembrook and the Emerald agency to our fabulous new premises in the heart of Emerald in September 2024, now known as Community Bank Emerald & District. Not to be left out, Community Bank Upwey & District also received a bit of a facelift during the year.

As we move into our 28th year of operations, we won't be resting on our laurels. In our ever-changing world, particularly with the exponential increase in online banking, we still aim to provide our customers with the best face-to-face service in the area, whilst still utilising the constantly emerging digitised processes that enhance the performance of our customer-facing staff.

## **Business achievements**

As the economy started moving towards a more stable outlook, it was pleasing to see some interest rate easing by the Reserve Bank, which assisted our mortgage-holders and hopefully will entice more to enter the home loan market. Monetary policy is not something that can be easily influenced at the household level, so we are reliant on the Reserve Bank to keep rates at a manageable level as much as they possibly can, taking into account world market conditions.

Over the previous 12 months our total funds under management (total lending and deposits) have overall increased by more than \$2million. Deposits held have increased, whilst loans held have decreased. This shows that loans are still being paid down with available funds, or not being taken up at all, due to interest rates being higher than many are comfortable with, resulting in some hesitancy by people to enter the home purchasing market. We are hopeful of a turnaround over the next few years as interest rates are expected to ease. Following a relatively stable year last year, our revenue decreased by approximately \$276,000, or 6% overall for the year. There was also an increase in expenses for the year of approximately \$281,000, or 12% overall for the year. This was not unexpected, given current market conditions, the costs associated with our re-structure and employment of additional staff.

The Company delivered a profit before charitable donations and sponsorships of \$1,919,690 compared with \$2,477,084 for the 2023/24 financial year. This is a decrease of approximately \$557,000 or 13%.

The company's Balance Sheet remains strong and continues to grow. Net Assets now exceed \$8.6 million; a growth of 14%.

We look forward to the next 12 months as we see Community Bank Emerald & District complete its first full year of operation, and both branches continuing to service all of our customers' banking needs with the quality products and services they expect.

## Chair's report (continued)

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### **Our community support initiatives**

As a company, we are proud to have contributed more than \$7.2 million back to our community in sponsorships, grants, donations and shareholder dividends over our 26-year history. We can only do this if the community support us by banking with us.

During the last 12 months we have continued to support our local sporting clubs as well as our local school students' scholarship program. We have also continued our support of the very important work done by Dandenong Ranges Community Relief Service, Community Casseroles (Foothills Community Care) and the Philanthropic Collective. Many families are struggling to stay on their feet after Covid, our devastating storms in 2021 and 2024, combined with the increased cost of living, and these organisations provide some much-needed relief when times are tough.

I was privileged to have a number of conversations with our local State and Federal members during the year, together with some of our local CFA Captains, who were all concerned about the lack of reliable communications during major weather events. As a result of these conversations, we made the decision to offer Starlink hardware to 16 of the CFA brigades who bank with us. Some already had the technology, and others didn't feel they needed it, but 7 brigades took up the offer to assist them and their communities if communication systems go down.

Other items of note where we supported our community throughout the year included \$11,000 to Upwey Belgrave RSL for Veterans' monthly dinners, \$11,000 to the Upwey Community Group for fairy lights to enhance the main street, \$6,600 to assist The Base to get established in Cockatoo and \$3,000 to the Belgrave Traders Association for the Lantern Parade.

Our donations and sponsorship payments of \$177,700 during the last 12 months was a decrease on our contributions last year. However, last year we celebrated our 25 years of operation, so we celebrated by sharing more with our communities than we otherwise do. Our aim is to ensure we strive to find that balance between preserving profits and doing what we can to support our community.

During the year we also kicked-off our Community Bonus program, where community groups who bank with us can benefit from some additional funds if new account-openers nominate them as their group of choice. Our customers have jumped onboard with this, and we look forward to presenting all selected groups with some additional funds later in the year. The more people who support us with their banking, the more we are able to contribute back to our community where it is needed. It's a win-win for us all when you choose to bank with your local Community Bank.

### **Our Staff and Management Team**

Our staff are without doubt our greatest asset. From our Business Development Manager, Andrew Gardner, to our Senior Branch Manager at Community Bank Upwey & District, Cheryl Gaston, to our Branch Manager at Community Bank Emerald & District, Bruce McConnell, and to the rest of our amazing staff, we sincerely thank you.

As a result of our changes and upgrades, we may look a little different on the outside, but on the inside our company's commitment to its customers and community has not diminished. We thank our managers and staff for their continuing dedication and enthusiasm for their roles within the company, as we strive to remain an employer of choice.

Our board support staff, Executive Officer Melisa Hepworth and Community Liaison Officer Suzan Prass, have once again provided excellent assistance to me, the Board and to the staff during the past year, with their ability to organise and coordinate efficiently and professionally.

We look forward to continuing our journey together throughout the next year and beyond.

## Chair's report (continued)

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### **Our Board**

As always, our Board members have given up their time to volunteer as Directors of Dandenong Ranges Community Finance Limited, and all have continued to contribute productively throughout the year.

The members of our board have been in place for the entire year, with no retirements. We welcomed our newest board member, Thomas Kern, in late June. Thomas brings a wealth of experience with him in the banking and financial sector, both here and in Germany, and we look forward to his contribution as we continue to navigate the best way forward for our company.

I cannot thank our board members and Company Secretary, Naren Popat, enough for the support they have shown me, each other and our staff throughout the year. Well done Team!

### **Your investment**

The Board has agreed to allocate a fully franked dividend of 12 cents per share, to be paid in December 2025.

On behalf of the Board, I thank you for your ongoing support and wish you prosperity for the future.



**Deb Weber CA MAICD**  
**Chair**

# Senior Manager's report

For year ending 30 June 2025

## **A Year of Growth and Impact: Reflecting on My 21st Year with Bendigo Bank**

My second year with the Dandenong Ranges Community Finance Limited, coinciding with my 21st year at Bendigo Bank, was a remarkable blend of challenges and achievements. It was a year of strategic transformation, community engagement, and team development, leaving a lasting impact on our region.

### **Navigating Challenges with Resilience**

The year began with the CrowdStrike outage, a reminder of the critical role cash plays in our community during crises. Bendigo Bank's swift response ensured minimal disruption to our systems and customers, reinforcing the importance of preparedness.

A pivotal moment came with NAB's closure in Emerald, prompting a bold strategic decision to expand our presence in the Dandenong Ranges. We committed to opening a new branch in Emerald, relocating the Community Bank Cockatoo-Gembrook Branch, and consolidating the Community Bank Belgrave Branch into Community Bank Upwey & District. Executing these changes by September was no small feat, requiring seamless coordination with customers, staff, and shareholders. Despite the complexity, our focus on retaining our team and customers ensured a smooth transition, a testament to our commitment to the community.

### **Driving Transformation with Collaboration**

Working closely with Bruce, our Community Bank Emerald & District Branch Manager, the board, and the Bank's project team, we successfully implemented these changes. Community Bank Upwey & District branch underwent thoughtful upgrades to accommodate increased staff and customer traffic, including refreshed branding, a comprehensive computer system overhaul, and the installation of our first coin machine, affectionately named "Colin." These enhancements improved efficiency and elevated the customer experience, marking a significant milestone for our group.

### **Strengthening Community Ties**

In October, we launched the Community Rewards Program, empowering local groups to earn bonus points by opening accounts or settling loans with us. These points translate into direct funding, offering a new avenue of support beyond traditional grants and sponsorships. Working closely with Andrew our Business Development Manager, we are building stronger relationships and putting funds into projects that are meaningful, this initiative reflects our dedication to fostering the vitality of our community.

The year-end festivities in November and December were a highlight, particularly attending school assemblies to celebrate our scholarship recipients. Witnessing the creativity and effort schools invested in their end-of-year celebrations was truly inspiring and underscored the importance of our community partnerships.

### **Building a Stronger Future**

The new year brought fresh leadership with Amey Duffy's appointment as Regional Manager for the Yarra Ranges. Amey's dynamic approach has invigorated our team, fostering greater accountability and enhancing staff capabilities to better serve our customers.

Bendigo Bank also sharpened its focus on Business Banking. By collaborating closely with the Business Banking team and visiting customers on-site, we gained deeper insights into their needs. Whether it's transactional support, lending, or savings solutions, we are committed to tailoring our services to help local businesses thrive.

## Senior Manager's report (continued)

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### **Empowering Our Team**

Our Community Bank Upwey & District team has remained a cornerstone of our success. We've promoted team members to new roles, prioritising skill development in lending, business account management, and customer-centric conversations. Additionally, we've invested in their well-being through after-hours workshops focused on mental health and resilience. I'm immensely proud to lead a team so genuinely dedicated to making a difference in our customers' lives.

### **Looking Ahead**

This year was a powerful reminder of the strength found in collaboration, adaptability, and community focus. As we move forward, we remain committed to delivering exceptional service, supporting our region, and empowering our team to create meaningful impact. If you don't already bank with us, give us a go, you won't regret it!

Warm Regards

A handwritten signature in black ink, appearing to read 'Cheryl', followed by a long horizontal line extending to the right.

**Cheryl Gaston**  
**Senior Branch Manager**

# Business Development Manager's report

For year ending 30 June 2025

I was delighted to commence in the role of Business Development Manager at Dandenong Ranges Community Finance Limited (DRCFL) in October 2023. Having worked as a Branch Manager and other Lending roles for the previous 20 years with Bendigo Bank, I was able to use my experience in assisting DRCFL achieve its success in engaging with and contributing to outstanding outcomes for the local community.

I am now able to devote my full efforts to those outcomes exclusively. My second year at DRCFL has seen good home loan settlements, referrals of new business customers and continued engagement with community groups. My focus for the next twelve months will be to engage further with our community with a view to increasing our banking presence with the members of the groups we support. I'd like to thank Cheryl, Bruce and the teams at both Community Bank Upwey & District and Community Bank Emerald & District for their continued support.

I would also like to sincerely thank Board Chair, Deb Weber, and the other Board members for their continued support and assistance. Most of all I would like to thank our local shareholders, our individual customers and the local business and community members who choose to do their banking with DRCFL. As a result, we can provide the support that we do to our local communities. Our success is directly linked to the success of our communities, so assisting local groups and supporting community events and projects is ultimately good for all of us.

I look forward to another year of servicing our current, new and potential customers, growing our business and continuing to support our communities.

I would welcome any referrals from you so please help promote us to your family, friends, and business associates.

Kind Regards

A handwritten signature in black ink, consisting of a stylized 'A' followed by a horizontal line.

**Andrew Gardner**  
**Business Development Manager**



# Secretary's report

For year ending 30 June 2025

The Group reported a net profit before tax, sponsorships and grants of \$1,919,690 for the year ended 30 June 2025, compared to \$2,477,084 in the previous year. Community Bank Upwey & District and Community Bank Emerald & District have showed profits before tax, sponsorships and grants.

The Group reported a net profit after tax of \$1,339,441 (2024: net profit of \$1,754,552).

## Financial position

The financial position of the Group continues to remain strong with total assets of \$9,940,173 (2024: \$9,040,176) and total liabilities of \$1,281,784 (2024: \$1,454,583) resulting in a net equity position of \$8,658,389 at 30 June 2025 (2024: \$7,585,593).

The cash balances and financial assets on 30 June 2025 amounted to \$7,200,447 (2024: \$6,661,643).

## Managers and staff

We thank the Branch Managers and all the staff for their excellent performance at Community Bank Upwey & District, and Community Bank Emerald & District.

## Dividends

The Board recommended a fully franked dividend of 12 cents per share that was paid out during the year.

The Board has agreed to allocate a fully franked dividend of 12 cents per share, to be paid in December 2025.

## Shareholder information

The administration of the share registry is being managed by Melisa Hepworth, our Executive Officer, who we thank for her outstanding contribution. All shareholders are advised that they must inform Melisa of a change of address to ensure that all correspondence and dividend payments are received by them. Also, all shareholders receiving their dividends by direct credit must please ensure that Melisa is informed of any changes to their banking details. Melisa can be contacted on 9754 6540 or [admin@drcbg.com.au](mailto:admin@drcbg.com.au).



**Naren Popat**  
B.Acc, CA, MTax

# Directors' report

## For the year ended 30 June 2025

The Directors present their report, together with the financial statements, on Dandenong Ranges Community Finance Limited for the financial year ended 30 June 2025.

### Board of Directors

The following persons were Directors of Dandenong Ranges Community Finance Limited during the whole of the financial year up to the date of this report, unless otherwise stated:

Deborah Jayne Weber	
Title:	Chair
Qualifications:	Chartered Accountant, CA SMSF Specialist, Dip. Financial Planning, Dip. Business (Governance), B.Ec.
Experience & Expertise:	Worked in public practice for over 30 years; 14 years as a sole practitioner in a tax practice. CFA volunteer for 26 years. Non-executive director of the board for 11 years.
Shane Andrew Miller	
Title:	Deputy Chair
Qualifications:	Intermediate Certificate
Experience & Expertise:	Owner, operator of Licenced Security Company since 1995, CFA volunteer with 30 years' service.
Leslie Thomas Stevenson	
Title:	Non-Executive Director
Qualifications:	B Eco FCA.
Experience & Expertise:	Semi retired Chartered Accountant, 30 years Accounting, 22 years as a sole practitioner in a tax practice.
John Ronald Faull	
Title:	Non-Executive Director
Qualifications:	Certificate 3 in Aged Care
Experience & Expertise:	Horticulturalist. 60 years' experience in CFA as a volunteer; 24 years' experience in Aged Care and Manager of Management Company operating Rhodoglades Retirement Village; Owner and Manager of Cut Flower Farm.
Walter Alfred Berger	
Title:	Non-Executive Director
Qualifications:	Advanced Diploma of Applied Science, Associate Diploma of Engineering
Experience & Expertise:	Small Business owner and manager (accommodation and horse agistment), online marketing and website management, 36 years IT data communications.
Thomas Ian Snell	
Title:	Non-Executive Director
Qualifications:	ADFS (FP)
Experience & Expertise:	Worked in senior positions with a Public Company for 25 years. Ran own business specialising in Business Consulting and Financial Planning. Past President of Upwey Tecoma Football Netball Club, past President and a coach at Upwey Tecoma Junior Football Club, a player, and past President and Coach at Upwey Tecoma Cricket Club. Non executive Director of the board since March 2022.

## Directors' report (continued)

Lynne Francis Trensky	
Title:	Non-Executive Director
Qualifications:	Brand Marketing (Adschool)
Experience & Expertise:	30 years experience working in strategic brand communications across all industry sectors. Extensive experience in community development in the not for profit sector and 15 plus years volunteering in the local community.

Thomas Kern (Appointed 30 June 2025)	
Title:	Non-Executive Director
Qualifications:	Certified Banker (Germany), B Com (Honours) (Saarland University, Germany)
Experience & Expertise:	Held lecturing positions in financial reporting across Germany, NZ and Australia; headed the IFRS Competence Centre of an international commercial bank in Hamburg, Germany; Since 2017 Teaching Associate/Assistant Lecturer at Monash Business School, Melbourne, with a focus on non-financial reporting; Permaculturist; Treasurer positions at various community organisations.

Directors were in office for this entire year unless otherwise stated.

No Directors have material interests in contracts or proposed contracts with the Company.

### Directors' Meetings

Attendances by each Director during the year were as follows:

Director	Board Meetings		Audit Committee Meetings	
	A	B	A	B
Deborah Jayne Weber	13	13	4	4
Shane Andrew Miller	13	13	-	-
Leslie Thomas Stevenson	13	12	4	4
John Ronald Faull	13	13	-	-
Walter Alfred Berger	13	13	-	-
Thomas Ian Snell	13	12	4	3
Lynne Francis Trensky	13	13	-	-
Thomas Kern (appointed 30 June 2025)	-	-	-	-

A - The number of meetings eligible to attend.

B - The number of meetings attended.

- - Not a member of that committee.

### Company Secretary

The following person held the position of Company Secretary at the end of the financial year.

Narandra Popat	
Qualifications:	Chartered Accountant, Bachelor of Commerce and Masters of Tax
Experience & Expertise:	Over 30 years of experience as a practising Chartered Accountant.

### Principal Activities

The principal activities of the Company during the course of the financial year were in providing Community Bank branch services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

There has been no significant changes in the nature of these activities during the year.

## Directors' report (continued)

### Operating Results

The profit of the Company for the financial year after provision for income tax was:

	30 June 2025 (\$)	30 June 2024 (\$)	Movement
<b>Profit After Tax</b>	1,339,441	1,754,552	-24%

### 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.

### Director's Interests

Director	Fully Paid Ordinary Shares		
	Balance at 1 July 2024	Changes During the Year	Balance at 30 June 2025
Deborah Jayne Weber	-	-	-
Shane Andrew Miller	17,540	3,175	20,715
Leslie Thomas Stevenson	5,000	-	5,000
John Ronald Faull	-	-	-
Walter Alfred Berger	68,583	-	68,583
Thomas Ian Snell	-	-	-
Lynne Francis Trensky	-	-	-
Thomas Kern (appointed 30 June 2025)	-	-	-

### Dividends

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

	Cents per Share	Total Amount (\$)
Final fully franked dividend	12.00	\$266,645
<b>Total Amount</b>	<b>12.00</b>	<b>\$266,645</b>

### Options

No options over issued shares were granted during or since the end of the financial year and there were no options outstanding as at the date of this report.

### Significant Changes in the State of Affairs

During the financial year the Belgrave branch merged with the Upwey branch. Additionally, the Cockatoo branch was relocated to Emerald. There were no other significant changes in the state of affairs of the Company.

### Events Since the end of the Financial Year

No matters or circumstances have arisen since the end of the financial year that significantly impact or may significantly impact the operations of the Company, the results of those operations or the state of affairs of the company, in future financial years.

## Likely Developments

The Company will continue its policy of providing banking services to the community.

## Environmental Regulations

The Company is not subject to any significant environmental regulation.

## Indemnification & Insurance of Directors & Officers

The Company has indemnified all directors and the managers in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or managers 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. The Company has not provided any insurance for an auditor of the company or a related body corporate.

## 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*.

## 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 (RSD Audit) for audit and non-audit services provided during the year are set out in Note 29 to the

The Board of Directors 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 are reviewed and approved by the Board prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- none of the services 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 on page 13 of this financial report.

Signed in accordance with a resolution of the Board of Directors at Upwey, Victoria.



**Deborah Weber**  
Chair/Director

Dated this 25th day of September, 2025

# Auditor's independence declaration



41A Breen Street  
Bendigo, Victoria  
PO Box 448, Bendigo, VIC, 3552

Ph: (03) 4435 3550  
admin@rsdaudit.com.au  
www.rsdaudit.com.au

## **Auditors Independence Declaration under section 307C of the Corporations Act 2001 to the Directors of Dandenong Ranges Community Finance Limited**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Dandenong Ranges Community Finance Limited. As the lead audit partner for the audit of the financial report for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) Any applicable code of professional conduct in relation to the audit.

**RSD Audit**

A handwritten signature in black ink, appearing to read 'Mahesh Silva'.

**Mahesh Silva**  
**Partner**  
41A Breen Street  
Bendigo VIC 3550

**Dated:** 25 September 2025

RSD Audit Pty Ltd  
ABN 85 619 186 908

Liability limited by a scheme approved under Professional Standards Legislation

# Financial statements

## Statement of Profit or Loss and Other Comprehensive Income For the year ended 30 June 2025

	Note	2025 \$	2024 \$
<b>Revenue</b>			
Revenue from contracts with customers	7	4,209,579	4,505,256
Other revenue	8	-	2,927
Finance income	9	255,170	232,591
		<b>4,464,749</b>	<b>4,740,774</b>
<b>Expenses</b>			
Employee benefits expense	10	(1,625,992)	(1,433,436)
Depreciation and amortisation	10	(173,481)	(127,732)
Finance costs	10	(46,845)	(8,416)
Administration and general costs		(496,763)	(523,101)
Occupancy expenses		(100,713)	(85,208)
IT expenses		(84,575)	(50,866)
Fair value movement		13,287	(10,468)
Other expenses		(29,977)	(24,463)
		<b>(2,545,059)</b>	<b>(2,263,690)</b>
<b>Operating profit before charitable donations and sponsorship</b>		<b>1,919,690</b>	<b>2,477,084</b>
Charitable donations and sponsorship	10	(132,645)	(137,186)
<b>Profit before income tax</b>		<b>1,787,045</b>	<b>2,339,898</b>
Income tax expense	11	(447,604)	(585,346)
<b>Profit for the year after income tax</b>		<b>1,339,441</b>	<b>1,754,552</b>
Profit attributable to the ordinary shareholders of the company		1,339,441	1,754,552
<b>Total comprehensive income attributable to ordinary shareholders of the company</b>		<b>1,339,441</b>	<b>1,754,552</b>
<b>Earnings per share</b>		<b>¢</b>	<b>¢</b>
- basic and diluted earnings per share	31	60.28	78.96

The accompanying notes form part of these financial statements

## Financial statements (continued)

### Statement of Financial Position As at 30 June 2025

	Note	2025 \$	2024 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	12	2,617,192	4,214,072
Trade and other receivables	13	340,071	379,412
Financial assets	14	4,583,255	2,447,571
Other assets	15	74,282	87,259
<b>Total current assets</b>		<b>7,614,800</b>	<b>7,128,314</b>
<b>Non-current assets</b>			
Property, plant and equipment	16	1,591,644	1,189,012
Right-of-use assets	17	598,024	693,763
Intangible assets	18	135,705	29,087
<b>Total non-current assets</b>		<b>2,325,373</b>	<b>1,911,862</b>
<b>Total assets</b>		<b>9,940,173</b>	<b>9,040,176</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	20	182,962	185,494
Current tax liability	19	38,528	248,732
Lease liabilities	21	39,563	61,972
Employee benefits	22	142,133	124,466
<b>Total current liabilities</b>		<b>403,186</b>	<b>620,664</b>
<b>Non-current liabilities</b>			
Trade and other payables	20	125,706	-
Lease liabilities	21	586,046	660,957
Employee benefits	22	8,537	3,821
Deferred tax liability	19	158,309	169,141
<b>Total non-current liabilities</b>		<b>878,598</b>	<b>833,919</b>
<b>Total liabilities</b>		<b>1,281,784</b>	<b>1,454,583</b>
<b>Net assets</b>		<b>8,658,389</b>	<b>7,585,593</b>
<b>Equity</b>			
Issued capital	23	701,300	701,300
Retained earnings	24	7,430,498	6,357,702
Reserves	25	526,591	526,591
<b>Total equity</b>		<b>8,658,389</b>	<b>7,585,593</b>

The accompanying notes form part of these financial statements



## Financial statements (continued)

### Statement of Changes in Equity For the year ended 30 June 2025

	Note	Issued Capital \$	Retained Earnings \$	Reserves \$	Total Equity \$
<b>Balance at 1 July 2023</b>		<b>701,300</b>	<b>4,869,795</b>	<b>526,591</b>	<b>6,097,686</b>
<b>Comprehensive income for the year</b>					
Profit for the year		-	1,754,552	-	1,754,552
<b>Transactions with owners in their capacity as owners</b>					
Dividends paid or provided	30	-	(266,645)	-	(266,645)
<b>Balance at 30 June 2024</b>		<b>701,300</b>	<b>6,357,702</b>	<b>526,591</b>	<b>7,585,593</b>
<b>Balance at 1 July 2024</b>		<b>701,300</b>	<b>6,357,702</b>	<b>526,591</b>	<b>7,585,593</b>
<b>Comprehensive income for the year</b>					
Profit for the year		-	1,339,441	-	1,339,441
<b>Transactions with owners in their capacity as owners</b>					
Dividends paid or provided	30	-	(266,645)	-	(266,645)
<b>Balance at 30 June 2025</b>		<b>701,300</b>	<b>7,430,498</b>	<b>526,591</b>	<b>8,658,389</b>

The accompanying notes form part of these financial statements

## Financial statements (continued)

### Statement of Cash Flows For the year ended 30 June 2025

	Note	2025 \$	2024 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		4,691,309	4,986,134
Payments to suppliers and employees		(2,884,082)	(2,778,790)
Interest paid		(46,845)	(8,416)
Interest received		255,170	232,591
Income tax paid		(666,873)	(829,422)
<b>Net cash flows provided by operating activities</b>	26b	<b>1,348,679</b>	<b>1,602,097</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of intangible asset		8,173	-
Purchase of property, plant and equipment		(454,082)	(39,211)
Purchase of investments		(2,135,685)	(897,639)
Purchase of intangible assets		-	(40,471)
<b>Net cash flows used in investing activities</b>		<b>(2,581,594)</b>	<b>(977,321)</b>
<b>Cash flows from financing activities</b>			
Repayment of lease liabilities		(97,320)	(12,249)
Dividends paid		(266,645)	(266,644)
<b>Net cash flows used in financing activities</b>		<b>(363,965)</b>	<b>(278,893)</b>
<b>Net increase/(decrease) in cash held</b>		<b>(1,596,880)</b>	<b>345,883</b>
Cash and cash equivalents at beginning of financial year		4,214,072	3,868,189
<b>Cash and cash equivalents at end of financial year</b>	26a	<b>2,617,192</b>	<b>4,214,072</b>

The accompanying notes form part of these financial statements

# Notes to the financial statements

For the year ended 30 June 2025

## Note 1. Corporate Information

These financial statements and notes represent those of Dandenong Ranges Community Finance Limited (the Company) as an individual entity. Dandenong Ranges Community Finance Limited is a company limited by shares, incorporated and domiciled in Australia. The financial statements were authorised for issue by the Directors on 25th September 2025.

Further information on the nature of the operations and principal activity of the Company is provided in the directors' report. Information on the company's related party relationships is provided in Note 28.

## Note 2. Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non current assets, financial assets and financial liabilities.

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar, unless otherwise stated.

## Note 3. Summary of Significant Accounting Policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, except if mentioned otherwise.

### (a) Economic Dependency

The Company has entered into a franchise agreement with Bendigo and Adelaide Bank Limited that governs the management of the following Community Bank's branches:

Community Bank Upwey & District  
Community Bank Belgrave - Closed 5 September 2024  
Community Bank Cockatoo-Gembrook - Closed 5 September 2024  
Community Bank Emerald & District - Opened 10 September 2024

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.

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.

## Notes to the financial statements (continued)

### Note 3. Summary of Significant Accounting Policies (continued)

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

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

The credit risk (i.e. the risk that a customer will not make repayments) is for the relevant Bendigo Bank entity 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
- 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.

#### (b) 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. Under AASB 15 *Revenue from Contracts with Customers* (AASB 15), revenue recognition for the Company's revenue stream is as follows:

Revenue	Includes	Performance Obligation	Timing of Recognition
Franchise agreement profit share	Margin, commission and fee income	When the Company satisfies its obligation to arrange the services to be provided to the customer by the supplier (Bendigo & Adelaide Bank)	On completion of the provision of the relevant service. Revenue is accrued monthly and paid within 10 business days of month end

All revenue is stated net of the amount of Goods and Services Tax (GST).

## Notes to the financial statements (continued)

### Note 3. Summary of Significant Accounting Policies (continued)

#### Revenue Calculation

The franchise agreement provides that three forms of revenue may be earned by the Company – 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. It may also be affected by other factors, such as economic and local conditions, for example, interest rates.

#### Margin

Margin is arrived at through the following calculation:

Interest paid by customers on loans, less interest paid to customers on deposits
plus
Deposit returns (i.e. interest return applied by BABL on deposits)
minus
Any costs of funds (i.e. interest applied by BABL to fund a loan)

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

#### Commission

Commission revenue is in the form of commission generated for products and services sold. This commission is recognised at a point in time which reflects when the Company has fulfilled its performance obligation.

The Company receives trailing commission for products and services sold. Ongoing trailing commission payments are recognised on receipt as there is insufficient detail readily available to estimate the most likely amount of income without a high probability of significant reversal in a subsequent reporting period. The receipt of ongoing trailing commission income is outside the control of the company, and is a significant judgement area.

#### Fee Income

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

#### Core Banking Products

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

#### Ability to Change Financial Return

Under the franchise agreement, Bendigo and Adelaide Bank may change the form and amount of financial return that the Company receives. The reasons it may make a change include changes in industry or economic conditions or changes in the way Bendigo and Adelaide 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. The effect of the change on the revenue earned by the company is entirely dependent on the change.

Bendigo and Adelaide 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 and Adelaide Bank's margin at that time. For other products and services, there is no restriction on the change Bendigo and Adelaide Bank may make.

## Notes to the financial statements (continued)

### Note 3. Summary of Significant Accounting Policies (continued)

#### (c) Other Revenue

The Company's activities include the generation of income from sources other than the core products under the franchise agreement. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and can be reliably measured.

Revenue	Revenue Recognition Policy
Discretionary financial contributions (also "Market Development Fund" or "MDF" income)	MDF income is recognised when the right to receive the payment is established. MDF income is discretionary and provided and receivable at month-end and paid within 14 days after month-end.
Other income	All other revenues that did not contain contracts with customers are recognised as goods and services are provided.

All revenue is stated net of the amount of Goods and Services Tax (GST).

#### Discretionary Financial Contributions

In addition to margin, commission and fee income, and separate from the franchise agreement, Bendigo Bank has also made MDF payments to the Company.

The amount has been based on the volume of business attributed to a branch. The purpose of the discretionary payments is to assist with local market development activities, including community sponsorships and grants. It is for the board to decide how to use the MDF.

The payments from Bendigo Bank are discretionary and may change the amount or stop making them at any time. The Company retains control over the funds, the funds are not refundable to Bendigo Bank.

#### (d) Employee Benefits

##### Short-term Employee Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for salary and wages (including non-monetary benefits), annual leave, and sick leave which are expected to be wholly settled within 12 months of the reporting date. They are measured at amounts expected to be paid when the liabilities are settled, plus related on-costs. Expenses for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

An annual leave liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be reliably estimated.

##### Other Long-term Employee Benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior reporting periods.

That benefit is discounted to determine its present value. Consideration is given to expected future wage and salary levels plus related on-costs, experience of employee departures, and years of service achieved. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimate future cash outflows.

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

## Notes to the financial statements (continued)

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### **Note 3. Summary of Significant Accounting Policies (*continued*)**

#### **(e) Tax**

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income.

##### **Current Income 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.

##### **Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for all deductible temporary differences, carried-forward tax losses, and unused tax credits to the extent that it is probable that future taxable profits will be available against which they can be used.

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.

Deferred tax is measured at the rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax and when the balances relate to taxes levied by the same taxation authority and the entity intends to settle its tax assets and liabilities on a net basis.

##### **Goods & Services Tax**

Revenues, expenses and assets are recognised net of the amount of GST, except:

- when the amount of GST incurred on a sale or purchase of assets or services is not payable to or recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue or expense item
- when receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the taxation authority is classified as part of operating cash flows.

#### **(f) Cash & Cash Equivalents**

For the purposes of the statement of financial position and statement of cash flows, cash and cash equivalents comprise: cash on hand, deposits held with banks, and short-term, highly liquid investments (mainly money market funds) that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

## Notes to the financial statements (continued)

### Note 3. Summary of Significant Accounting Policies (continued)

#### (g) Property, Plant & Equipment

##### Recognition & Measurement

Items of property, plant and equipment are measured at cost or fair value as applicable, which includes capitalised borrowings costs, less accumulated depreciation and any accumulated impairment losses.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

##### Subsequent Expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

##### Depreciation

Depreciation is calculated to write-off the cost of items of property, plant and equipment less their estimated residual values using diminishing value method over their estimated useful lives, and is recognised in profit or loss.

The estimated useful lives of property, plant and equipment for the current and comparative periods are as follows:

Asset Class	Method	Useful Life
Buildings	Straight line	40 years
Leasehold improvements	Diminishing value	15 - 40 years
Office furniture & equipment	Diminishing value	1 - 15 years
Motor vehicles	Diminishing value	5 years

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

#### (h) Intangible Assets

Intangible assets of the Company include the franchise fees paid to Bendigo Bank conveying the right to operate the Community Bank franchise.

##### Recognition & Measurement

Intangible assets acquired separately are measured on initial recognition at cost.

##### Subsequent Expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill, is recognised in profit or loss as incurred.

##### Amortisation

Intangible assets 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
Franchise fee	Straight line	Franchise term (5 years)

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



## Notes to the financial statements (continued)

### Note 3. Summary of Significant Accounting Policies (*continued*)

#### (i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company's financial instruments include trade debtors and creditors, cash and cash equivalents, leases.

Sub-note (i) and (j) refer to the following acronyms:

Acronym	Meaning
FVTPL	Fair value through profit or loss
FVTOCI	Fair value through other comprehensive income
SPPI	Solely payments of principal and interest
ECL	Expected credit loss
CGU	Cash-generating unit

#### Recognition & Initial Measurement

Trade receivables are initially recognised when they originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to the acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

#### Classification & Subsequent Measurement

##### *Financial Assets*

On initial recognition, a financial asset is classified as measured at: amortised cost, FVTOCI - debt investment; FVTOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVTOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

##### *Financial Assets - Business Model Assessment*

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed.

##### *Financial Assets - Subsequent Measurement, Gains & Losses*

For financial assets at amortised cost, these assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

## Notes to the financial statements (continued)

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### **Note 3. Summary of Significant Accounting Policies (*continued*)**

#### *Financial Liabilities - Classification, Subsequent Measurement, Gains & Losses*

Borrowings and other financial liabilities (including trade payables) are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Any gain or loss on derecognition is also recognised in profit or loss.

#### *Derecognition*

##### *Financial Assets*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Where the Company enters into transactions where it transfers assets recognised in the statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred asset, the transferred assets are not derecognised.

##### *Financial Liabilities*

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

#### *Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### **(j) Impairment**

#### *Non-derivative Financial Instruments*

The Company recognises a loss allowance for estimated credit losses (ECL)'s on its trade receivables.

ECL's are the probability-weighted estimate of credit losses over the expected life of a financial instrument. A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received.

In measuring the ECL, a provision matrix for trade receivables is used, taking into consideration various data to get to an ECL, (i.e. diversity of its customer base, appropriate groupings of its historical loss experience etc.).

#### *Recognition of ECL in Financial Statements*

At each reporting date, the entity recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

## Notes to the financial statements (continued)

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### Note 3. Summary of Significant Accounting Policies (*continued*)

The Company's trade receivables are limited to the monthly profit share distribution from Bendigo and Adelaide Bank, which is received 14 days post month end. Due to the reliance on Bendigo and Adelaide Bank 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 also performed a historical assessment of receivables from Bendigo and Adelaide Bank and found no instances of default. As a result no impairment loss allowance has been made in relation to trade receivables as at 30 June 2025.

#### Non-financial Assets

At each reporting date, the Company reviews the carrying amount of its non-financial assets (other than investment property, contracts assets, and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The Company has assessed for impairment indicators and noted no material impacts on the carrying amount of non-financial assets.

#### (k) Issued Capital

##### Ordinary Shares

Ordinary shares are recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

#### (l) Leases

##### As Lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for leases of property the company has elected not to separate lease and non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of 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.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the costs of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company determines its incremental borrowing rate by obtaining interest rates from funding sources and where necessary makes certain adjustments to reflect the terms of the lease and type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual guarantee; and

### **Note 3. Summary of Significant Accounting Policies (*continued*)**

- the exercise price under a purchase option the Company is reasonably certain to exercise, lease payments in an option renewal period if the company is reasonably certain to exercise that option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### **Short-term Leases & Leases of Low-value Assets**

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of short-term leases and low-value assets, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

A short-term lease is a lease that, at commencement date, has a lease term of 12 months or less.

#### **As Lessor**

The Company has not been a party in an arrangement where it is a lessor.

### **(m) Standards Issued But Not Yet Effective**

There are no new standards effective for annual reporting periods beginning after 1 July 2024 that are expected to have a significant impact on the Company's financial statements.

### **(n) Comparative Figures**

Where required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

## Notes to the financial statements (continued)

### Note 4. Significant Accounting Judgements, Estimates & Assumptions

During preparation of the financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual outcomes and balances may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions to these estimates are recognised prospectively.

#### (a) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note	Judgement
Note 7 - Revenue	Whether revenue is recognised over time or at a point in time
Note 21 - Leases:	
(a) Control	Whether a contract is or contains a lease at inception by assessing whether the Company has the right to direct the use of the identified asset and obtain substantially all the economic benefits from the use of that asset
(b) Lease term	Whether the Company is reasonably certain to exercise extension options, termination periods, and purchase options
(c) Discount rates	Judgement is required to determine the discount rate, where the discount rate is the Company's incremental borrowing rate if the rate implicit in the lease cannot be readily determined. The incremental borrowing rate is determined with reference to factors specific to the Company and underlying asset including: <ul style="list-style-type: none"><li>• the amount</li><li>• the lease term</li><li>• economic environment</li><li>• any other relevant factors.</li></ul>

#### (b) Assumptions & Estimation Uncertainty

Information about assumptions and estimation uncertainties at 30 June 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note	Assumption
Note 19 - Recognition of deferred tax assets	Availability of future taxable profit against which deductible temporary differences and carried-forward tax losses can be utilised
Note 16 - Estimation of asset useful lives	Key assumptions on historical experience and the condition of the asset
Note 22 - Long service leave provision	Key assumptions on attrition rate of staff and expected pay increases through promotion and inflation

## Notes to the financial statements (continued)

### Note 5. Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the company. The company does not utilise any derivative instruments.

Risk management is carried out directly by the Board of Directors.

#### (a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's receivables from customers.

The Company has no significant concentrations of credit risk. It has policies in place to ensure that customers have an appropriate credit history. The company's franchise agreement limits the company's credit exposure to one financial institution, being Bendigo and Adelaide Bank.

#### (b) 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 remaining contractual maturities of financial liabilities. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements.

30 June 2025		Contractual Cash Flows		
Non-derivative Financial Liability	Carrying Amount	< 12 Months	1 - 5 Years	> 5 Years
Lease liabilities	625,609	86,867	408,566	453,465

#### (c) 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. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company has no exposure to any transactions denominated in a currency other than Australian dollars.

#### Price Risk

The Company is not exposed to equity securities price risk as it does not hold investments for sale or at fair value. There is no exposure to the company in regard to commodity price risk.

## Notes to the financial statements (continued)

### Note 5. Financial Risk Management (*continued*)

#### Cash Flow & Fair Values Interest Rate Risk

Interest-bearing assets are held with Bendigo and Adelaide Bank and subject to movements in market interest. 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 \$2,617,192 at 30 June 2025 (2024: \$4,214,072). The cash and cash equivalents are held with Bendigo & Adelaide Bank, which are rated BBB on Standard & Poor's credit ratings.

### Note 6. Capital Management

The Board's policy is to maintain a strong capital base so as to sustain future development of the Company. The Board of Directors 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:

- (a) 20% of the profit or funds of the Company otherwise available for distribution to shareholders in that 12 month period; and
- (b) 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 year ended 30 June 2025 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 7. Revenue From Contracts With Customers

Revenue arises from the rendering of services through its franchise agreement with the Bendigo and Adelaide Bank Limited. The revenue recognised is measured by reference to the fair value of consideration received or receivable, excluding sales taxes, rebates, and trade discounts.

	2025 \$	2024 \$
<b>Revenue</b>		
- Revenue from contracts with customers	4,209,579	4,505,256
<b>Disaggregation of Revenue From Contracts With Customers</b>		
- Margin income	3,835,422	4,112,623
- Fee income	178,415	191,985
- Commission income	195,742	200,648
	<b>4,209,579</b>	<b>4,505,256</b>

All revenue from contracts customers shown above was recognised at a point in time. There was no revenue from contracts with customers recognised over time during the financial year.

## Notes to the financial statements (continued)

### Note 8. Other Revenue

The Company generates other sources of revenue as outlined below.

	2025 \$	2024 \$
<b>Other Revenue</b>		
- Rent & Other Income	-	2,927
	-	<b>2,927</b>

### Note 9. Finance Income

The Company holds financial instruments measured at amortised cost. Interest income is recognised at the effective interest rate.

	2025 \$	2024 \$
<b>Finance Income</b>		
At amortised cost:		
- Interest from term deposits	255,170	232,591
	<b>255,170</b>	<b>232,591</b>

### Note 10. Expenses

Profit before income tax from continuing operations includes the following specific expenses:

#### (a) Employee Benefits Expense

	2025 \$	2024 \$
Employee Benefits Expense		
- Wages & salaries	1,358,406	1,218,495
- Superannuation costs	158,289	135,368
- Other expenses related to employees	109,297	79,573
	<b>1,625,992</b>	<b>1,433,436</b>

#### (b) Depreciation & Amortisation Expense

	2025 \$	2024 \$
Depreciation of Non-current Assets		
- buildings	30,591	30,756
- leasehold improvements	4,184	611
- furniture and fittings	9,919	9,268
- motor vehicles	6,757	4,931
	<b>51,451</b>	<b>45,566</b>
Depreciation of Right-of-use Assets		
- leased buildings	93,972	43,382
	<b>93,972</b>	<b>43,382</b>
Amortisation of Intangible Assets		
- franchise fees	28,058	38,784
	<b>28,058</b>	<b>38,784</b>
<b>Total depreciation &amp; amortisation expense</b>	<b>173,481</b>	<b>127,732</b>



## Notes to the financial statements (continued)

### Note 10. Expenses (continued)

The non-current tangible and intangible assets listed above are depreciated and amortised in accordance with the Company's accounting policy (see Note 3(g) and 3(h) for details).

#### (c) Finance Costs

	Note	2025 \$	2024 \$
Finance Costs			
- Interest paid		46,845	8,416
		<b>46,845</b>	<b>8,416</b>

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

#### (d) Community Investments & Sponsorship

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 and grants).

	Note	2025 \$	2024 \$
Community Investments & Sponsorship			
- Direct sponsorship and grant payments		132,645	137,186
		<b>132,645</b>	<b>137,186</b>

#### (e) Community Enterprise Foundation™ (CEF) Contributions

During the financial year the Company contributed funds to the CEF, the philanthropic arm of the Bendigo Bank. These contributions paid in form part of community investments and sponsorship expenditure included in profit or loss.

	Note	2025 \$	2024 \$
Disaggregation of CEF Funds			
Opening balance		3,321	3,181
Interest received		177	140
Balance available for distribution		<b>3,498</b>	<b>3,321</b>

## Notes to the financial statements (continued)

### Note 11. Income Tax Expense

Income tax expense comprises current and deferred tax. Attributable current and deferred tax expense is recognised in the other comprehensive income or directly in equity as appropriate.

#### (a) The Components of Tax Expense

	2025 \$	2024 \$
Current tax expense	458,436	593,324
Deferred tax expense	(10,832)	(7,990)
Under / (over) provision of prior years	-	12
	<b>447,604</b>	<b>585,346</b>

#### (b) Prima Facie Tax Payable

The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax expense as follows:

	2025 \$	2024 \$
Prima facie tax on profit before income tax at 25% (2024: 25%)	446,761	584,974
Add Tax Effect Of:		
- Non-deductible expenses	843	360
- Recognition of AASB 16	(3,322)	2,616
- Temporary differences	14,154	5,374
- Under / (over) provision prior years	-	12
- Movement in deferred tax	(10,832)	(7,990)
<b>Income tax attributable to the entity</b>	<b>447,604</b>	<b>585,346</b>
The applicable weighted average effective tax rate is:	25.05%	25.02%

### Note 12. Cash & Cash Equivalents

	2025 \$	2024 \$
Cash at bank and on hand	2,617,192	4,214,072
	<b>2,617,192</b>	<b>4,214,072</b>

Cash and cash equivalents include cash on hand, deposits available on demand with banks, other short-term highly liquid investments with original maturities of three months or less. Any bank overdrafts are reported within short-term borrowings in current liabilities in the statement of financial position.

### Note 13. Trade & Other Receivables

	2025 \$	2024 \$
<b>Current</b>		
Trade receivables	340,071	379,412
	<b>340,071</b>	<b>379,412</b>

Trade and other receivables are initially measured at the transaction price. Trade and other receivables are due for settlement usually no more than 30 days from the date of recognition.

The Company's main debtor relates to the Bendigo & Adelaide Bank monthly profit share distribution, which is deposited within a reasonable timeframe each month. There are no items that require the application of the lifetime expected credit loss model.

## Notes to the financial statements (continued)

### Note 14. Financial Assets

	2025 \$	2024 \$
At Amortised Cost		
Term deposits	4,583,255	2,447,571
	<b>4,583,255</b>	<b>2,447,571</b>

Term deposits classified as financial assets include only those with a maturity period greater than three months. Where maturity periods are less than three months, these investments are recorded as cash and cash equivalents.

### Note 15. Other Assets

	2025 \$	2024 \$
Prepayments	23,084	14,627
Security bond	37,818	37,134
Other	13,380	35,498
	<b>74,282</b>	<b>87,259</b>

Other assets represent items that will provide the entity with future economic benefits controlled by the entity as a result of past transactions or other past events.

### Note 16. Property, Plant & Equipment

#### (a) Carrying Amounts

	2025 \$			2024 \$		
	At Cost / Valuation	Accumulated Depreciation	Written Down Value	At Cost / Valuation	Accumulated Depreciation	Written Down Value
Buildings	1,320,555	250,063	1,070,492	1,320,555	219,472	1,101,083
Leasehold improvements	508,529	61,943	446,586	76,646	57,759	18,887
Furniture & fittings	882,476	832,683	49,793	860,277	822,764	37,513
Motor vehicles	36,461	11,688	24,773	36,460	4,931	31,529
<b>Total</b>	<b>2,748,021</b>	<b>1,156,377</b>	<b>1,591,644</b>	<b>2,293,939</b>	<b>1,104,926</b>	<b>1,189,012</b>

#### (b) Movements in Carrying Amounts

2025	Buildings \$	Leasehold Imp. \$	Furniture & Fittings \$	Motor Vehicles \$	Total
Opening carrying value	1,101,083	18,887	37,513	31,530	1,189,013
Additions	-	431,883	22,199	-	454,082
Depreciation expense	(30,591)	(4,184)	(9,919)	(6,757)	(51,451)
<b>Closing carrying value</b>	<b>1,070,492</b>	<b>446,586</b>	<b>49,793</b>	<b>24,773</b>	<b>1,591,644</b>

  

2024	Buildings \$	Leasehold Imp. \$	Furniture & Fittings \$	Motor Vehicles \$	Total
Opening carrying value	1,131,839	19,498	44,031	-	1,195,368
Additions	-	-	2,750	36,460	39,210
Depreciation expense	(30,756)	(611)	(9,268)	(4,931)	(45,566)
<b>Closing carrying value</b>	<b>1,101,083</b>	<b>18,887</b>	<b>37,513</b>	<b>31,529</b>	<b>1,189,012</b>

## Notes to the financial statements (continued)

### Note 16. Property, Plant & Equipment (continued)

#### (c) Capital Expenditure Commitments

The entity does not have any capital expenditure commitments as at 30 June 2025 (2024: None).

#### (d) Changes in Estimates

During the financial year, the Company assessed estimates used for property, plant and equipment including useful lives, residual values, and depreciation methods.

There were no changes in estimates for the current reporting period.

### Note 17. Right-of-use Assets

Right-of-use assets are measured at amounts equal to the present value of enforceable future payments on the adoption date, adjusted for lease incentives, make-good provisions, and initial direct costs.

The Company derecognises right-of-use assets at the termination of the lease period or when no future economic benefits are expected to be derived from the use of the underlying asset.

The Company's lease portfolio includes buildings, plant and equipment.

#### Options to Extend or Terminate

The option to extend or terminate is contained in the property lease of the Company. All extension or termination options are only exercisable by the Company. The extension options or termination options which were probable to be exercised have been included in the calculation of the right-of-use asset.

#### AASB 16 Amounts Recognised in the Statement of Financial Position

	2025			2024		
	At Cost / Valuation	Accumulated Depreciation	Written Down Value	At Cost / Valuation	Accumulated Depreciation	Written Down Value
Leased buildings	866,619	268,595	598,024	878,057	184,294	693,763
	<b>866,619</b>	<b>268,595</b>	<b>598,024</b>	<b>878,057</b>	<b>184,294</b>	<b>693,763</b>

Movements in carrying amounts:

	Leased Buildings \$	Total ROU Asset \$
Opening balance	693,763	693,763
Revaluation	(1,767)	(1,767)
Depreciation expense	(93,972)	(93,972)
<b>Net carrying amount</b>	<b>598,024</b>	<b>598,024</b>

#### AASB 16 Amounts Recognised in the Statement of Profit or Loss and Other Comprehensive Income

	2025 \$	2024 \$
Depreciation expense related to right-of-use assets	93,972	43,382
Interest expense on lease liabilities	46,845	8,416

## Notes to the financial statements (continued)

### Note 18. Intangible Assets

#### (a) Carrying Amounts

	2025			2024		
	At Cost / Valuation	Accumulated Amortisation	Written Down Value	At Cost / Valuation	Accumulated Amortisation	Written Down Value
Franchise fees	142,847	7,142	135,705	182,125	(153,038)	29,087
	<b>142,847</b>	<b>7,142</b>	<b>135,705</b>	<b>182,125</b>	<b>(153,038)</b>	<b>29,087</b>

#### (b) Movements in Carrying Amounts

2025	Franchise Fees \$	Total
Opening carrying value	29,087	29,087
Additions	142,847	142,847
Disposals	(8,172)	(8,172)
Amortisation expense	(28,058)	(28,058)
<b>Closing carrying value</b>	<b>135,704</b>	<b>135,704</b>

2024	Franchise Fees \$	Total
Opening carrying value	67,871	67,871
Amortisation expense	(38,784)	(38,784)
<b>Closing carrying value</b>	<b>29,087</b>	<b>29,087</b>

## Notes to the financial statements (continued)

### Note 19. Tax Assets & Liabilities

#### (a) Current Tax

	2025 \$	2024 \$
Income tax payable	38,528	248,732

#### (b) Deferred Tax

Movement in the Company's deferred tax balances for the year ended 30 June 2025:

	30 June 2024 \$	Recognised in P & L \$	30 June 2025 \$
<b>Deferred Tax Assets</b>			
- Expense accruals	13,937	787	14,724
- ROU assets and lease liabilities from AASB 16	7,291	(394)	6,897
- Employee provisions	32,072	5,595	37,667
<b>Total deferred tax assets</b>	<b>53,300</b>	<b>5,988</b>	<b>59,288</b>
<b>Deferred Tax Liabilities</b>			
- Accrued income	(8,874)	5,529	(3,345)
- Prepayments	(3,657)	(2,114)	(5,771)
- Property, plant & equipment	(209,910)	1,429	(208,481)
<b>Total deferred tax liabilities</b>	<b>(222,441)</b>	<b>4,844</b>	<b>(217,597)</b>
<b>Net deferred tax liabilities</b>	<b>(169,141)</b>	<b>10,832</b>	<b>(158,309)</b>

Movement in the Company's deferred tax balances for the year ended 30 June 2024:

	30 June 2023 \$	Recognised in P & L \$	30 June 2024 \$
<b>Deferred Tax Assets</b>			
- Expense accruals	11,748	2,189	13,937
- ROU assets and lease liabilities from AASB 16	5,160	2,131	7,291
- Employee provisions	32,985	(913)	32,072
<b>Total deferred tax assets</b>	<b>49,893</b>	<b>3,407</b>	<b>53,300</b>
<b>Deferred Tax Liabilities</b>			
- Accrued income	(7,146)	(1,728)	(8,874)
- Property, plant & equipment	(216,581)	6,671	(209,910)
- Prepayments	(3,285)	(372)	(3,657)
<b>Total deferred tax liabilities</b>	<b>(227,012)</b>	<b>4,571</b>	<b>(222,441)</b>
<b>Net deferred tax liabilities</b>	<b>(177,119)</b>	<b>7,978</b>	<b>(169,141)</b>

## Notes to the financial statements (continued)

### Note 20. Trade & Other Payables

	2025 \$	2024 \$
<b>Current</b>		
Trade creditors	10,291	4,438
Other creditors and accruals	172,671	181,056
	<b>182,962</b>	<b>185,494</b>
<b>Non-Current</b>		
Other creditors and accruals	125,706	-
	<b>125,706</b>	<b>-</b>

Trade and other payables represent the liabilities for goods and services received by the entity that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

### Note 21. Lease Liabilities

Lease liabilities were measured at amounts equal to the present value of enforceable future payments of the term reasonably expected to be exercised, discounted at the appropriate incremental borrowing rate on the adoption date. The discount rate used on recognition was 5.5%.

The discount rate used in calculating the present value of enforceable future payments takes into account the particular circumstances applicable to the underlying leased assets (including the amount, lease term, economic environment, and other relevant factors).

The Company has applied judgement in estimating the remaining lease term including the effects of any extension or termination options reasonably expected to be exercised, applying hindsight if appropriate.

#### (a) Lease Portfolio

The Company's lease portfolio includes:

Lease	Details
Community Bank Belgrave	The lease agreement is a non-cancellable lease with an initial term of five years which commenced in September 2010. The lease has no further extension option available.
Community Bank Cockatoo/Gembrook	The lease agreement is a non-cancellable lease with an initial term of five years which commenced in June 2020. The lease has two further five year extension option available which the Company has decided not to exercise.
Community Bank Emerald & District	The lease agreement is a non-cancellable lease with an initial term of five years which commenced in May 2024. The lease has two further three year extension options available.

The Company assesses at the lease commencement date whether it is reasonably certain to exercise extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

## Notes to the financial statements (continued)

### Note 21. Lease Liabilities (continued)

#### (b) Lease Liabilities

Lease liabilities are presented in the consolidated statement of financial position as follows:

	2025 \$	2024 \$
Current	39,563	61,972
Non-current	586,046	660,957

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 30 June 2025 were as follows:

	Minimum lease payments due				
	< 1 Year	1 - 2 Years	3 - 5 Years	> 5 years	Total
<b>30 June 2025</b>					
Lease payments	86,867	157,690	250,876	453,465	948,898
Finance charges	(47,304)	(93,112)	(113,281)	(69,592)	(323,289)
<b>Net present values</b>	<b>39,563</b>	<b>64,578</b>	<b>137,595</b>	<b>383,873</b>	<b>625,609</b>
<b>30 June 2024</b>					
Lease payments	94,937	181,630	293,393	550,151	1,120,111
Finance charges	(4,827)	(24,799)	(81,009)	(249,348)	(359,983)
<b>Net present values</b>	<b>90,110</b>	<b>156,831</b>	<b>212,384</b>	<b>300,803</b>	<b>760,128</b>

#### (c) Lease Payments Not Recognised as a Liability

The Company has elected not to recognise a lease liability for short term leases (leases with an expected term of 12 months or less) or for leases of low value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

Total cash outflows for leases for the year ended 30 June 2025 was \$122,446 (2024: \$45,406).

### Note 22. Employee Benefits

	2025 \$	2024 \$
<b>Current</b>		
Provision for annual leave	60,182	58,819
Provision for long service leave	81,951	65,647
	<b>142,133</b>	<b>124,466</b>
<b>Non-Current</b>		
Provision for long service leave	8,537	3,821
	<b>8,537</b>	<b>3,821</b>

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

#### Employee Attrition Rates

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.



## Notes to the financial statements (continued)

### Note 23. Issued Capital

#### (a) Issued Capital

	2025		2024	
	Number	\$	Number	\$
Ordinary shares - fully paid	2,222,039	701,300	2,222,039	701,300
	2,222,039	701,300	2,222,039	701,300

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

#### (b) Movements in share capital

	2025 \$	2024 \$
<i>Fully paid ordinary shares:</i>		
At the beginning of the reporting period	2,222,039	2,222,039
<b>At the end of the reporting period</b>	<b>2,222,039</b>	<b>2,222,039</b>

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held. At the shareholders' meetings each shareholder is entitled to one vote when a poll is called, or on a show of hands. The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid. All shares rank equally with regard to the company's residual assets.

### Note 24. Retained Earnings

	Note	2025 \$	2024 \$
Balance at the beginning of the reporting period		6,357,702	4,869,795
Profit for the year after income tax		1,339,441	1,754,552
Dividends paid	30	(266,645)	(266,645)
<b>Balance at the end of the reporting period</b>		<b>7,430,498</b>	<b>6,357,702</b>

### Note 25. Reserves

	2025 \$	2024 \$
<i>Asset Revaluation Reserve</i>		
Balance at the beginning of the reporting period	526,591	526,591
<b>Balance at the end of the reporting period</b>	<b>526,591</b>	<b>526,591</b>

The reserves represent undistributable gains recognised on the revaluation of non-current assets.

## Notes to the financial statements (continued)

### Note 26. Cash Flow Information

(a) Cash and cash equivalents balances as shown in the Statement of Financial Position can be reconciled to the Statement of Cash Flows as follows:

	Note	2025 \$	2024 \$
Cash and cash equivalents	12	2,617,192	4,214,072
As per the Statement of Cash Flows		<b>2,617,192</b>	<b>4,214,072</b>

### (b) Reconciliation of cash flow from operations with profit after income tax

	2025 \$	2024 \$
Profit for the year after income tax	1,339,441	1,754,552
Non-cash flows in profit		
- Depreciation	51,451	45,566
- Amortisation	28,058	38,784
- Depreciation of ROU Leased Buildings	93,972	43,382
- Revaluation of lease	1,768	(22,555)
Changes in assets and liabilities		
- (Increase) / decrease in trade and other receivables	39,343	71,472
- (Increase) / decrease in prepayments and other assets	12,975	(45,532)
- Increase in deferred tax asset	(62,728)	(74,936)
- Decrease in trade and other payables	(19,674)	(35,843)
- Decrease in current tax liability	(158,309)	(169,141)
- Increase / (decrease) in provisions	22,382	(3,652)
<b>Net cash flows from operating activities</b>	<b>1,348,679</b>	<b>1,602,097</b>

### Note 27. Financial Instruments

The following shows the carrying amounts for all financial instruments at amortised cost. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Note	2025 \$	2024 \$
<b>Financial Assets</b>			
Trade and other receivables	13	340,071	379,412
Cash and cash equivalents	12	2,617,192	4,214,072
Term deposits	14	4,583,255	2,447,571
		<b>7,540,518</b>	<b>7,041,055</b>
<b>Financial Liabilities</b>			
Trade and other payables	20	308,668	185,494
Lease liabilities	21	625,609	722,929
		<b>934,277</b>	<b>908,423</b>

## Notes to the financial statements (continued)

### Note 28. Related Parties

#### (a) Key Management Personnel

Key management personnel includes any person having authority or responsibility for planning, directing or controlling the activities of the entity, directly or indirectly including any Director (whether executive or otherwise) of that Company. The only key management personnel identified for the Company are the Board of Directors, the members of which are listed in the Directors' report.

#### (b) Key Management Personnel Compensation

No Director of the Company receives remuneration for services as a company director or committee member. These positions are held on a voluntary basis.

	2025	2024
	\$	\$
Short-term employee benefits	30,000	30,000
Post-employment benefits	3,450	3,300
Other long-term benefits	-	1,635
Total key management personnel compensation	<b>33,450</b>	<b>34,935</b>

#### Short-term Employee Benefits

These amounts include fees and benefits paid to the non-executive Chair and non-executive Directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to Executive Directors and other key management personnel.

#### Post-employment Benefits

These amounts are the current year's estimated cost of providing the Company's defined benefits scheme post-retirement, superannuation contributions made during the year and post-employment life insurance benefits.

#### Other Long-term Benefits

These amounts represent long service leave benefits accruing during the year, long-term disability benefits and deferred bonus payments.

#### Share-based payments

These amounts represent the expense related to the participation of key management personnel in equity-settled benefits schemes as measured by the fair value of the options, rights and shares granted on grant date.

#### (c) Other Related Parties

Other related parties include close family members of key management personnel and entities that are controlled or jointly controlled by those key management personnel, individually or collectively with their close family members.

## Notes to the financial statements (continued)

### Note 28. Related Parties (continued)

#### (d) Transactions With Key Management Personnel & Related Parties

During the year, the Company purchased goods and services under normal terms and conditions, from related parties as follows:

Name of Related Party	Description of Goods or Services Provided	Value \$
Upwey Belgrave RSL - Leslie Stevenson	Sponsorship	10,300
Upwey Tecoma Cricket Club - Ian Snell, Thomas Kern	Sponsorship	2,000
Belgrave Men's Shed - Leslie Stevenson	Sponsorship	1,650
Gembrook Market - Walter Berger	Sponsorship	164
Mountain District Radio Inc 3MDR - Walter Berger	Sponsorship	2,000
Olinda Ferny Creek Football Netball Club - John Faull	Sponsorship	4,000
Emerald RSL - Shane Miller	Sponsorship	100
Upwey Tecoma Football Netball Club - Thomas Snell	Sponsorship	5,000
Upwey Tecoma Junior Football Club - Thomas Snell	Sponsorship	3,400

#### (e) Key Management Personnel Shareholdings

The number of ordinary shares in the Company held by each key management personnel during the financial year has been disclosed in the Director's Report.

#### (f) Other Key Management Transactions

### Note 29. Auditor's Remuneration

The appointed auditor of Dandenong Ranges Community Finance Limited for the year ended 30 June 2025 is RSD Audit. Amounts paid or due and payable to the auditor are outlined below.

	2025 \$	2024 \$
Audit & Review Services		
Audit and review of financial statements (RSD Audit)	5,100	4,800
	<b>5,100</b>	<b>4,800</b>

### Note 30. Dividends

The following dividends were provided for and paid to shareholders during the reporting period as presented in the statement of changes in equity and statement of cash flows.

	2025		2024	
	Number	\$	Number	\$
Fully franked dividend	2,222,039	266,645	2,222,039	266,645
Dividends provided for and paid during the year	<b>2,222,039</b>	<b>266,645</b>	<b>2,222,039</b>	<b>266,645</b>

The tax rate at which dividends have been franked is 25% (2024: 25%).

## Notes to the financial statements (continued)

### Note 31. Earnings Per Share

The calculation of basic and diluted earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

	2025	2024
	\$	\$
Profit attributable to ordinary shareholders	1,339,441	1,754,552
	Number	Number
Weighted average number of ordinary shares	2,222,039	2,222,039
	¢	¢
Basic and diluted earnings per share	60.28	78.96

### Note 32. Events After the Reporting Period

There have been no significant events after the end of the financial year that would have a material impact on the financial statements or the Company's state of affairs.

### Note 33. Commitments & Contingencies

Any commitments for future expenditure associated with leases are recorded in Note 22. Details about any capital commitments are detailed in Note 16(c).

The Company has no other commitments requiring disclosure.

### Note 34. Company Details

The registered office of the Company is:

Dandenong Ranges Community Finance Limited	30 Main Street, Upwey, VIC, 3158
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The principal places of business are:

Community Bank Upwey & District	30 Main Street, Upwey, VIC, 3158
Community Bank Emerald & District	Shop 1-3/344 Belgrave-Gembrook Rd, Emerald VIC 3782

## Notes to the financial statements (continued)

### Note 35. Fair Value Measurements

The Company may measure some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair value of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The Company measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- freehold land and buildings

The Company does not subsequently measure any liabilities at fair value on a non-recurring basis.

#### (a) Fair Value Hierarchy

AASB 13: *Fair value measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level	Measurement Details
Level 1	Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Measurements based on unobservable inputs for the asset or liability.

Fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

## Notes to the financial statements (continued)

### Note 36. Fair Value Measurements (continued)

The following tables provide the fair values of the Company's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

	30 June 2025			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Recurring Fair Value Measurements</b>				
Non-financial Assets				
Freehold land & building	-	1,070,492	-	1,070,492
	-	<b>1,070,492</b>	-	<b>1,070,492</b>

	30 June 2024			
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<b>Recurring Fair Value Measurements</b>				
Non-financial Assets				
Freehold land & building	-	1,101,083	-	1,101,083
	-	<b>1,101,083</b>	-	<b>1,101,083</b>

#### Transfers between levels of the hierarchy

There were no transfers between levels for assets measured at fair value on a recurring basis during the reporting period (2024: no transfers).

#### Highest and best use

The current use of each asset measured at fair value is considered to be its highest and best use.

#### (b) Valuation Techniques

The Company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the company are consistent with one or more of the following valuation approaches:

Approach	Valuation Details
Market Approach	Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
Income Approach	Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
Cost Approach	Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

## Notes to the financial statements (continued)

### Note 36. Fair Value Measurements (continued)

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

#### Valuation Techniques & Inputs - Level 2 Fair Values

Asset	Fair Value at 30 June 2025 \$	Valuation Techniques	Inputs Used
Freehold land & building	1,070,492	Market approach	Valuation report

The fair value of freehold land and buildings is determined at least every three years based on valuations by an independent valuer. At the end of each intervening period, the Directors review the independent valuation and, when appropriate, update the fair value measurement to reflect current market conditions using a range of valuation techniques, including recent observable market data and discounted cash flow methodologies.

There were no changes during the period in the valuation techniques used by the Company to determine Level 2 fair values.

#### (c) Reconciliation of Recurring Level 2 Fair Value Measurements

Level 2	Freehold Land & Buildings \$
Balance at the beginning of the year	1,101,083
Gains/(losses) recognised in profit or loss during the year	(30,591)
<b>Balance at the end of the year</b>	<b>1,070,492</b>



# Consolidated Entity Disclosure Statement

**As at 30 June 2025**

The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001*.

Dandenong Ranges Community Finance Ltd has no controlled entities and, therefore, is not required by Australian Accounting Standards to prepare consolidated financial statements. As a result, section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

# Directors' declaration

For the year ended 30 June 2025

In accordance with a resolution of the directors of Dandenong Ranges Community Finance Limited, we state that:

In the opinion of the directors:

- (a) The financial statements and notes of the Company are 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 performance for the financial year ended on that date; and
  - (ii) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- (c) The information disclosed in the attached consolidated entity disclosure statement, on page 48 is true and correct.

This declaration is made in accordance with a resolution of the board of directors.



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**Deborah Weber**  
Chair/Director

Dated this 25th day of September, 2025

# Independent audit report



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## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DANDENONG RANGES COMMUNITY FINANCE LIMITED**

### **REPORT ON THE AUDIT OF THE FINANCIAL REPORT**

#### **Opinion**

We have audited the financial report of Dandenong Ranges Community Finance Limited (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In our opinion the accompanying financial report of Dandenong Ranges Community Finance 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 and its cash flows for the year then ended; and
- (ii) complying with Australian Accounting Standards.

#### **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 Entity in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's *APES 110 Code of Ethics* for Professional Accountants (including Independence Standards) 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 opinion.

#### **Other Information**

Those charged with governance 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 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 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.

#### **Director's Responsibility 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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 to cease operations, or have no realistic alternative but to do so.

RSD Audit Pty Ltd  
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## **Auditor's Responsibility for the Audit of the Financial Report**

Our responsibility is to express an opinion on the financial report based on our audit. 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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

We identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



### 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* (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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

### RSD Audit

Chartered Accountants

A handwritten signature in black ink, appearing to read 'Mahesh Silva'.

### Mahesh Silva

Partner

Bendigo

Dated: 25 September 2025

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