

Annual Report 2026

Dandenong Ranges
Community Finance Limited

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



Contents

Chair's report	2
Senior Manager's report	4
Business Development Manager's report	6
Secretary's report	7
Directors' report	8
Auditor's independence declaration	12
Financial statements	13
Notes to the financial statements	17
Directors' declaration	45
Consolidated Entity Disclosure Statement	46
Independent audit report	47

Chair's report

For year ending 30 June 2026

It is my pleasure as your Chair to present this report for the 2025/2026 financial year.

As a proud franchisee of Bendigo Bank, we have had another 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 27 years of operations since opening our flagship Community Bank Upwey & District. As part of our strategic planning at this year's company workshop, to ensure performance sustainability, continued social purpose and relevance to our community, we formalised a Strategic Planning Committee to assess and update our business plan in order to ensure we remain in step with changes in our market as they occur and are able to secure our future as a viable business unit well into the future.

As we move forward, 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

World events have played a part in pushing interest rates higher over the course of the 2026 financial year. This has affected our mortgage-holders and those looking to enter the housing market, slowing the home loan market overall and prompting forecasts of future cash rate increases. Unfortunately, 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 increased by more than \$29 million. As per last year, 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. Once again, we've had a relatively stable year, with our revenue decreasing by approximately \$129,000, or 3% overall for the year, which was matched against a small decrease in expenses for the year of approximately \$69,000, or 3% overall for the year. This was pleasing, given current market conditions and the increasing cost of living experienced by us all.

The Company delivered a profit before charitable donations and sponsorships of \$1,961,115 compared with \$2,020,572 for the 2024/2025 financial year. This is a decrease of approximately \$59,500 or 3%.

The company's Balance Sheet remains strong and continues to grow. Net Assets now exceed \$9.7 million; a growth of 12.5%. This puts us in good stead to meet our future planning goals as part of our overall strategic business plan.

We look forward to the next 12 months as both Community Banks continue to service all of our customers' banking needs with the quality products and services they expect.

Our community support initiatives

As a company, we are proud to have contributed more than \$8.8 million back to our community in sponsorships, grants, donations and shareholder dividends over our 27-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. Our staff and Directors truly enjoy attending the various sporting matches and school presentations, confirming that their dedication to our community extends well beyond the provision of grants and sponsorships.

Over the last 4 years we have continued our support of the very important work done by Dandenong Ranges Community Relief Service, Community Casseroles (Foothills Community Care) and the Philanthropic Collective. When Foothills Community Care moved into their new premises in Upwey, we were proud to be able to provide them with \$100,000 to fit-out their kitchen. This represents a significant investment in our

Chair's report (continued)

local community. We have also recently included The Food Store at St Lukes and Fernlea Community Care as part of our community assistance program.

Other items of note where we supported our community throughout the year included \$50,000 to South Belgrave Football Netball Club for lighting, \$12,000 to Upwey Belgrave RSL for Veterans' monthly dinners, \$10,000 towards solar for the Selby Community House, \$5,000 to support Rotary Run for the Kids, which supports Eastern Health, \$2,000 to support the Marysville annual golf fundraiser and \$3,000 to the Belgrave Traders Association for the Lantern Parade.

Our donations and sponsorship payments of \$468,416 during the last 12 months was a significant increase on our contributions from the previous year. This is largely due to our new Community Bonus program, an increase in the groups who bank with us requesting funding for their various projects, and our significant contribution to Foothills Community Care. However, we still ensure we strive to find that balance between preserving profits and doing what we can to support our community.

Our Community Bonus program, which was introduced last year, has been a great success and well-supported by our customers. Community groups who bank with us can benefit from some additional funds if new account-openers nominate them as their group of choice. Gembrook Wildlife Shelter topped the pool for our first year, receiving \$4,815. Our customers have jumped onboard with this, and we once again 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.

Our company's commitment to its customers and community remains strong, largely thanks to the loyalty and determination of our managers and staff. We thank them 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.

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 have a few changes happening within the Board over the coming year, as some people retire and new people join us, bringing new ideas and ensuring the Board remains relevant in its decision-making.

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 13 cents per share, to be paid in December 2026.

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 2026

A Year of change and innovation.

Three years already with Dandenong Ranges Community Finance Limited, and it was another year full of challenges, surprises and exceptional personal growth. Beginning the year with my first strategy weekend with the Board and leaders to look ahead at what we want for our company and our shareholders and staff.

Navigating Challenges with Resilience

Beginning the year celebrating my Husband's 50th and Mum's 80th, I was quickly grounded with the Bank's announcement to close our Agency network, and dealing with the direct impact that would have on our Marysville Agency and its customers and surrounding areas. After meeting with our business customers, our current agency partners and our local post office, we were able to provide a solution quickly that supported all parties. Keeping the office and the ATM for the year, continuing to provide a local presence with our BDM, supporting the community with grants and providing free transactions at the local post office, we felt we had successfully navigated that challenge quickly with minimal impact.

The next challenge was implementing our new lending platform to our staff, moving from a 25+ year old tried and tested lending software, to a new, smart lending platform that could turn around applications faster with automated valuations, credit checks and loan contracts within hours and days, rather than weeks.

Driving Transformation with Collaboration

It was our second year with our Emerald branch being open. I was able to work closely with Bruce, our Branch Manager, as we began to align our staffing structure for long term success, managing resourcing collectively across the two branches to provide better profit for our company, and setting up our Lending Hub at Upwey to provide lending across both locations.

Strengthening Community Ties

In November, we celebrated our first full year of our Community Rewards Program, being able to give unexpected funds to the local groups that our customers chose to support when opening new accounts, taking out insurance, or settling loans with us. These points translate into direct funding, offering a new avenue of support beyond traditional grants and sponsorships. It was a great night giving back to those who work so hard for so little.

I have thoroughly enjoyed working closely with Andrew, our Business Development Manager, who has also been with us for 3 years, as we continue to build even stronger relationships within our community. By putting funds into projects that are meaningful, this initiative reflects our dedication to fostering the vitality of our community.

We provided meaningful support for our emergency services, where we gifted over 17 thermal imaging cameras to the CFA, as well as supplying a number of lifesaving defibs for the region. Our quarterly philanthropic support ensures a number of groups in the hills are assisted with their food relief programs, and the RSL are able to provide a veterans' dinner each month. We also provided sponsorships and grants to our arts societies, our sporting clubs, and the Lions and Rotary clubs. In our most generous gift for the year, we were able to provide \$100k to Foothills Community Care to support their relocation to a community space next door to us in Upwey, to assist with the building of a commercial kitchen so they can cook hundreds of meals each week to support those in need. We couldn't do this without our customers banking with us, and the support of our fabulous Board.

The year-end festivities in November and December are always 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.

Senior Manager's report (continued)

This year saw us providing some much-needed lighting at a local football club, as well as protective nets. These were both great additions to our ongoing support of the many sporting teams in our region. Sporting clubs bring many benefits to any community; the health and wellbeing of not only kids, but also adults, bring communities together, and supports teams who often rely on fundraising and grants to operate.

Building a Stronger Future

With our Regional Manager, Amey, the Yarra Ranges has been fortunate enough to have a leader who loves to collaborate and share best practice. Amey has been able to share her experiences in the mobile lending and business development space, as well as provide great coaching and support to the branch staff and the Board. We were also honoured to celebrate at the regional awards with our Upwey branch winning the Branch Values award, our Business Development Manager, Andrew, winning the Community Impact award, and Courtnei winning a Rising Star award.

By embracing technology with our 2030 vision to be the "Most Innovative Bank", our staff are embracing the new tools rolling out to better improve us, not only in the branch by using technology to improve our work processes but by also ensuring the overall customer experience when opening accounts online is seamless.

We have also approved some in-branch and back-office renovations to ensure we are setting the team up for success for many years to come.

Empowering Our Team

Our Community Bank Upwey & District and Community Bank Emerald & District teams continue to invest in our staff, as some have been promoted 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 always grateful for their commitment to their roles and their customers' and community's needs.

Looking Ahead

This year I felt we had more collaboration, continued to deal with an everchanging world of technology and remained committed to our overall community focus. As we look ahead, that momentum will not change, and with a new structure in place to support my team, we continue to stay focussed on 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



Cheryl Gaston
Senior Branch Manager

Business Development Manager's report

For year ending 30 June 2026

As I complete my third year as Business Development Manager with the group, my observations across the business over the past 12 months remain highly positive. Our network continues to demonstrate a steadfast commitment to supporting our local community. I consider myself very fortunate to benefit from the extensive experience and ongoing support of our staff, the broader bank, and the Board.

With an expanding portfolio of diverse and highly competitive products and services, we have evolved beyond the traditional community branch model to become a formidable alternative to our competitors. Our key differentiators remain our personalised, face-to-face service and our unique capacity to provide meaningful sponsorships to local community groups.

In June, we hosted an Economic Outlook event with David Robertson, Chief Economist and Head of Economic and Markets Research at Bendigo Bank. David provided valuable insights into the global and domestic economy, highlighting the delicate balance between inflation and growth. His presentation sparked thoughtful discussion among our guests, reinforcing our credibility with clients, partners, and future customers by showcasing the depth of talent and knowledge within Bendigo Bank.

This year, we proudly supported a variety of impactful projects and community initiatives, the stories of which continue to be highlighted across our newsletters and social media channels. Standout achievements this year include providing over \$24,000 in funding to the Angliss Hospital Upper Ferntree Gully for a new wireless fetal monitor for their maternity ward, as well as a significant \$100,000 contribution to Foothills Community Care.

Community Bank Upwey & District and Community Bank Emerald & District have long been at the heart of our local community, providing essential banking services while assisting countless organisations to grow and thrive. Over the past 27 years, we have achieved significant milestones, and our commitment to community prosperity has never been stronger. We remain deeply grateful to our loyal customers and the many community groups who have partnered with us along the way.

My primary focus for the next twelve months will be to deepen our engagement with the community, with a strategic view to increasing our banking presence among the members of the groups we sponsor.

I extend my sincere thanks to Cheryl Bruce, the teams at the Community Bank Upwey & District and Emerald & District, our Chair Deb Weber, and the entire Board for their invaluable guidance and support. I encourage our shareholders, customers, and community to continue championing our unique bank, as your support is vital to our growth and our continued investment in the Dandenong Ranges. I look forward to another year of shared success.

Kind Regards



Andrew Gardner
Business Development Manager

Secretary's report

For year ending 30 June 2026

Financial result

The Group reported a net profit before tax, sponsorships and grants of \$1,961,115 for the year ended 30 June 2026, compared to \$2,020,572 in the previous year. Community Bank Upwey and Community Bank Emerald have shown profits before tax, sponsorships and grants.

The Group reported a net profit after tax of \$1,106,661 (2025: net profit of \$1,339,441).

Financial position

The financial position of the Group continues to remain strong with total assets of \$10,938,230 (2025: \$9,940,173) and total liabilities of \$801,181 (2025: \$878,598) resulting in a net equity position of \$9,740,137 at 30 June 2026 (2025: \$8,658,389).

The cash balances and financial assets on 30 June 2025 amounted to \$8,013,420 (2025: \$7,200,447).

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 13 cents per share, to be paid in December 2026.

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.



Naren Popat
B.Acc, CA, MTax

Directors' report

30 June 2026

The Directors present their report together with the financial statements on Dandenong Ranges Community Finance Limited for the financial year ended 30 June 2026.

Information on Directors

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; 15 years as a sole practitioner in a tax practice. CFA volunteer for 27 years. Non-executive director of the board for 12 years.

Shane Andrew Miller

Title: Deputy Chair
Qualifications: Intermediate Certificate
Experience & Expertise: Owner, operator of Licenced Security Company since 1995, CFA volunteer with 31 years' service.

Leslie Thomas Stevenson

Title: Non-Executive Director
Qualifications: B Eco FCA.
Experience & Expertise: Semi retired Chartered Accountant, 31 years Accounting, 23 years as a sole practitioner in a tax practice.

John Ronald Faulk

Resigned 9 September 2026

Title: Non-Executive Director
Qualifications: Certificate 3 in Aged Care
Experience & Expertise: Horticulturalist. 61 years' experience in CFA as a volunteer; 25 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, 37 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 26 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.

Lynne Francis Trensky

Resigned 28 August 2026

Title: Non-Executive Director
Qualifications: Brand Marketing (Adschoo)
Experience & Expertise: 31 years experience working in strategic brand communications across all industry sectors. Extensive experience in community development in the not for profit sector and 16 plus years volunteering in the local community.

Directors' report (continued)

Information on Directors (continued)

Thomas Kern

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 have been in office since the start of the financial year to the date of the report unless otherwise stated.

No Directors have material interests in contracts or proposed contracts with the company other than those disclosed in note 28.

Directors' Meetings

Meetings of Directors

During the financial year, 13 meetings of Directors were held and 5 audit and risk committee meetings were held.

Attendances by each Director during the year were as follows:

	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Deborah Jayne Weber	13	13	5	4
Shane Andrew Miller	13	13	-	-
Leslie Thomas Stevenson	13	11	5	5
Lynne Francis Trensky	13	13	-	-
Thomas Ian Snell	13	11	5	2
John Ronald Faull	13	11	3	1
Walter Alfred Berger	13	12	-	-
Thomas Kern	13	12	5	5

Directors' report (continued)

Meetings of Directors (continued)

Directors' Benefits

Other than those stated in note 28, no director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the Company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Directors' Interests

All amounts below are for fully paid ordinary shares.

Director	Number of shares 2025	Changes during the year	Number of shares 2026
Deborah Jayne Weber	-	2,350	2,350
Shane Andrew Miller	20,715	(3,785)	16,930
Leslie Thomas Stevenson	5,000	-	5,000
Lynne Francis Trensky	-	-	-
Thomas Ian Snell	-	-	-
John Ronald Faull	-	-	-
Walter Alfred Berger	68,583	-	68,583
Thomas Kern	-	-	-

Company secretary

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 Dandenong Ranges Community Finance Limited during the financial year was providing Community Bank branch services under management rights to operate a franchised branch of Bendigo and Adelaide Bank Limited.

Operating results

The profit of the Company after providing for income tax amounted to \$1,106,661 (2025: \$1,339,441).

Dividends paid or recommended

Dividends paid or declared during or since the end of the financial year are as follows:

- A fully franked dividend of \$266,645 (12 cents per share) was paid during the year.

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 state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

Events after the reporting date

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

Directors' report (continued)

Future developments and results

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

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Indemnification and Insurance of Directors and 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 for leave of court.

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 accounts. 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.

Signed in accordance with a resolution of the Board of Directors.



Deborah Jayne Weber
Chair

Dated: 29 September 2026

Auditor's independence declaration



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 auditor for the audit of the financial report for the year ended 30 June 2026, 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.

A stylized handwritten signature that reads 'RSD Audit'.

RSD Audit

A handwritten signature in cursive script, appearing to read 'Mahesh Silva'.

Mahesh Silva
Associate Director

30 September 2026

Financial statements

Dandenong Ranges Community Finance Limited

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2026

	Note	2026 \$	2025 \$
Revenue from contracts with customers	7.a	4,069,550	4,209,579
Finance income	8	266,278	255,170
Total income		4,335,828	4,464,749
Employee benefit expenses	9	(1,661,279)	(1,625,992)
Administrative expenses		(356,186)	(395,881)
Depreciation of Non-current Assets	10	(119,305)	(145,423)
Amortisation expenses	10	(28,570)	(28,058)
Finance expenses	8	(45,043)	(46,845)
IT expenses		(57,906)	(84,575)
Occupancy costs		(85,834)	(100,713)
Fair value movement		2,000	13,287
Other expenses		(22,590)	(29,977)
Total expense		(2,374,713)	(2,444,177)
Profit before charitable donations and sponsorships		1,961,115	2,020,572
Charitable donations and sponsorships	11	(468,416)	(233,527)
Profit before income tax		1,492,699	1,787,045
Income tax	12	(386,038)	(447,604)
Profit for the year		1,106,661	1,339,441
Revaluation surplus	24	241,732	-
Total comprehensive income for the year		1,348,393	1,339,441
Earnings per share (¢)	Note	2026	2025
Basic and diluted earnings per share	31	50	60

The accompanying notes form part of these financial statements.

Financial statements (continued)

Dandenong Ranges Community Finance Limited

Statement of Financial Position

As at 30 June 2026

	Note	2026 \$	2025 \$
Assets			
Current assets			
Cash and cash equivalents	13	3,287,612	2,617,192
Trade and other receivables	14	369,443	340,071
Other financial assets	15	4,725,808	4,583,255
Other assets	16	130,573	74,282
Total Current assets		<u>8,513,436</u>	<u>7,614,800</u>
Non-current assets			
Property, plant and equipment	17	1,779,916	1,591,644
Right-of-use assets	18	537,743	598,024
Intangible assets	19	107,135	135,705
Total Non-current assets		<u>2,424,794</u>	<u>2,325,373</u>
Total Assets		<u>10,938,230</u>	<u>9,940,173</u>
Liabilities			
Current liabilities			
Trade and other payables	21	179,064	182,962
Current tax liabilities	20	20,901	38,528
Employee benefits	9.b	151,931	142,133
Lease liabilities	22	45,016	39,563
Total Current liabilities		<u>396,912</u>	<u>403,186</u>
Non-current liabilities			
Trade and other payables	21	62,854	125,706
Deferred tax liabilities	20	170,201	158,309
Employee benefits	9.b	27,096	8,537
Lease liabilities	22	541,030	586,046
Total Non-current liabilities		<u>801,181</u>	<u>878,598</u>
Total liabilities		<u>1,198,093</u>	<u>1,281,784</u>
Net Assets		<u>9,740,137</u>	<u>8,658,389</u>
Equity			
Share capital	23	701,300	701,300
Retained earnings	25	8,270,514	7,430,498
Reserves	24	768,323	526,591
Total Equity		<u>9,740,137</u>	<u>8,658,389</u>

The accompanying notes form part of these financial statements.

Financial statements (continued)

Dandenong Ranges Community Finance Limited

Statement of Changes in Equity

For the year ended 30 June 2026

2025	Note	Share Capital	Retained earnings	Reserves	Total equity
		\$	\$	\$	\$
Opening balance		701,300	6,357,702	526,591	7,585,593
Profit for the year		-	1,339,441	-	1,339,441
Revaluation surplus		-	-	-	-
Dividends provided for or paid	30	-	(266,645)	-	(266,645)
Closing balance		701,300	7,430,498	526,591	8,658,389

2026	Note	Share Capital	Retained earnings	Reserves	Total
		\$	\$	\$	\$
Opening balance		701,300	7,430,498	526,591	8,658,389
Profit for the year		-	1,106,661	-	1,106,661
Revaluation surplus		-	-	241,732	241,732
Dividends provided for or paid	30	-	(266,645)	-	(266,645)
Closing balance		701,300	8,270,514	768,323	9,740,137

The accompanying notes form part of these financial statements.

Financial statements (continued)

Dandenong Ranges Community Finance Limited

Statement of Cash Flows

For the year ended 30 June 2026

	Note	2026 \$	2025 \$
Cash flows from operating activities:			
Receipts from customers		4,040,177	4,691,309
Payments to suppliers and employees		(2,713,470)	(2,884,082)
Interest received		266,278	255,170
Interest paid		(45,043)	(46,845)
Income taxes paid or refunded		(391,773)	(666,873)
Net cash flows from operating activities	26	<u>1,156,169</u>	<u>1,348,679</u>
Cash flows from investing activities:			
Purchase of intangible asset		(31,426)	8,173
Purchase of property, plant and equipment		(5,563)	(454,082)
Purchase of investments		(142,552)	(2,135,685)
Net cash used in investing activities		<u>(179,541)</u>	<u>(2,581,594)</u>
Cash flows from financing activities:			
Repayment of Leases		(39,563)	(97,320)
Dividends Paid		(266,645)	(266,645)
Net cash used in financing activities		<u>(306,208)</u>	<u>(363,965)</u>
Net increase/(decrease) in cash and cash equivalents		<u>670,420</u>	<u>(1,596,880)</u>
Cash and cash equivalents at beginning of year		2,617,192	4,214,072
Cash and cash equivalents at end of financial year		<u>3,287,612</u>	<u>2,617,192</u>

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the year ended 30 June 2026

1. Introduction

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 29 September 2026.

The Company is a for-profit entity, and these financial statements have been prepared in accordance with Australian Accounting Standards - Tier 1, including full compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

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.

Comparatives are consistent with prior years, unless otherwise stated.

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.

Notes to the financial statements (continued)

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 Community Bank Upwey Branch and Community Bank Emerald Branch.

The Company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo and Adelaide Bank. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry on 19 November 2030.

The Company operates as a franchise of Bendigo and Adelaide Bank, using the name "Bendigo Bank" (Dandenong Ranges Community Finance Limited) and the logo and system of operations of Bendigo Bank. The company manages the Community Bank on behalf of Bendigo Bank, however all transactions with customers conducted through the Community Bank are effectively conducted between the customers and Bendigo Bank.

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

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

The credit risk (i.e. the risk that a customer will not make repayments) is for 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:

Notes to the financial statements (continued)

3. Summary of Significant Accounting Policies (continued)

b. Revenue from contracts with customers (continued)

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).

i. 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.

ii. Margin

Margin is arrived at through the following calculation:

$$\begin{array}{l} \text{Interest paid by customers on loans, less interest paid to customers on deposits} \\ \text{plus} \\ \text{Deposit returns (i.e. interest return applied by BABL on deposits)} \\ \text{minus} \\ \text{Any costs of funds (i.e. interest applied by BABL to fund a loan)} \end{array}$$

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.

iii. 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.

iv. 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.

v. 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.

Notes to the financial statements (continued)

3. Summary of Significant Accounting Policies (continued)

b. Revenue from contracts with customers (continued)

vi. 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.

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
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).

d. Employee benefits

i. 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.

ii. 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.

e. Income tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable in respect of the taxable profit for the year and is measured at the amount expected to be paid to the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax assets are measured at the amounts expected to be recovered from the relevant taxation authority.

Notes to the financial statements (continued)

3. Summary of Significant Accounting Policies (continued)

f. 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.

g. Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO), or when 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.

Receivables and payable are stated inclusive of GST.

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

h. 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.

i. Property, Plant & Equipment

i. Recognition & Measurement

Items of property, plant and equipment are measured at cost or fair value as applicable, which includes capitalised borrowing 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.

ii. 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.

iii. 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.

3. Summary of Significant Accounting Policies (continued)

j. Leases

i. 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
- 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.

ii. 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.

iii. As lessor

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

Notes to the financial statements (continued)

3. Summary of Significant Accounting Policies (continued)

k. Intangible Assets

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

i. Recognition & Measurement

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

ii. 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.

iii. Amortisation

Intangible assets are amortised over their useful life and assessed for impairment whenever impairment indicators are present.

Asset Class	Method	Useful Life
Franchise fee	Straight line	5 years

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

l. 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 (ii) 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

i. 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.

3. Summary of Significant Accounting Policies (continued)

I. Financial instruments (continued)

ii. 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.

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.

iii. 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.

3. Summary of Significant Accounting Policies (continued)

m. 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.

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 2026.

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.

n. Issued Capital

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.

o. Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 30 June 2026, refer to the Change in accounting policy note, for details of the changes due to standards adopted.

p. New accounting standards and interpretations

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards.

AASB 18 *Presentation and Disclosure in Financial Statements* was issued in June 2024 and replaces AASB 101 *Presentation of Financial Statements*. The standard is effective for annual reporting periods beginning on or after 1 January 2027 for applicable entities. The directors have assessed the new standard and do not expect its adoption to have a material impact on the Company's financial position or financial performance, although it may result in changes to the presentation and disclosure of information in the financial statements.

Notes to the financial statements (continued)

4. Significant Accounting Judgements, Estimates & Assumptions

Management make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

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:

Balance	Judgement
Revenue	Whether revenue is recognised over time or at a point in time

b. Assumptions & Estimation Uncertainty

Information about assumptions and estimation uncertainties at 30 June 2026 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:

Balance	Judgement
Recognition of deferred tax assets	Availability of future taxable profit against which deductible temporary differences and carried-forward tax losses can be utilised.
Estimation of asset useful lives	Key assumptions on historical experience and the condition of the asset.
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)

5. Financial risk management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Company is exposed to are:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - interest rate risk and price risk.

a. 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.

b. 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.

c. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

i. Cash flow & fair value 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 Group to cash flow interest-rate risk.

The Company held cash and cash equivalents of \$3,287,612 at 30 June 2026 (2025: \$2,617,192). The cash and cash equivalents are held with Bendigo & Adelaide Bank, which are rated BBB on Standard & Poor's credit ratings.

ii. Price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities held being available-for-sale or fair value through profit and loss.

Notes to the financial statements (continued)

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 2026 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.

7. Revenue and other income

Disaggregation of 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.

	2026 \$	2025 \$
Revenue		
Revenue from contracts with customers	4,069,550	4,209,579
Disaggregation of Revenue From Contracts With Customers		
Margin Income	3,716,098	3,835,422
Fee Income	150,198	178,415
Commission Income	203,254	195,742
	<u>4,069,550</u>	<u>4,209,579</u>

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)

8. Finance income and expenses

a. Finance income

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

Term deposits which can be readily converted to a known amount of cash and subject to an insignificant risk of change may qualify as a cash equivalent.

	2026	2025
	\$	\$
Interest income	266,278	255,170

b. Finance expenses

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

	2026	2025
	\$	\$
Interest expense	45,043	46,845

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

9. Employee benefits

a. Employee benefits expenses

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

	2026	2025
	\$	\$
Employee benefit expenses		
Salary and wage expenses	1,381,872	1,358,406
Superannuation contributions	170,141	158,289
Other employee benefit expenses/(gain)	109,266	109,297
	1,661,279	1,625,992

b. Provisions for employee benefits

Current	2026	2025
	\$	\$
Annual leave	71,930	60,182
Long service leave	80,001	81,951
	151,931	142,133

Non-current	2026	2025
	\$	\$
Long service leave	27,096	8,537

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)

10. Depreciation & Amortisation Expense

	2026 \$	2025 \$
Depreciation of fixed assets		
Buildings	32,897	30,591
Leasehold improvements	11,409	4,184
Furniture & fittings	9,410	9,919
Motor vehicles	5,308	6,757
Right-of-use assets	60,281	93,972
Total	119,305	145,423
 Amortisation of Intangible Assets		
Franchise fees	28,570	28,058
Total	28,570	28,058

The non-current tangible and intangible assets listed above are depreciated and amortised in accordance with the company's accounting policy (see Note 3(i), 3(j) and 3(k) for details).

11. Community Investments & Sponsorship

a. 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).

	2026 \$	2025 \$
Community Investments & Sponsorship		
Direct sponsorship and grant payments	468,416	233,527

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

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

b. 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.

	2026 \$	2025 \$
Disaggregation of CEF Funds		
Opening balance	3,498	3,321
Interest received	153	177
Balance available for distribution	3,651	3,498

Notes to the financial statements (continued)

12. 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 major components of tax expense comprise:

	2026 \$	2025 \$
Components of Tax Expense		
Current tax expense	374,146	458,436
Deferred tax expense	11,892	(10,832)
Total	386,038	447,604

b. Reconciliation of income tax to accounting profit:

	2026 \$	2025 \$
Profit for the year		
Profit for the year	1,106,661	1,339,441
Add back income tax expense		
Current tax expense	386,038	447,604
Total Profit for the year	1,492,699	1,787,045
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2025: 25%)	373,175	446,761
Add / (Less) tax effect of:		
Non-deductible expenses	1,242	843
Recognition of AASB 16	(500)	(3,322)
Temporary differences	229	14,154
Movement in deferred tax	11,892	(10,832)
Income tax attributable to the entity	386,038	447,604
Income tax expense	386,038	447,604
Weighted average effective tax rate (%)	26	25

Notes to the financial statements (continued)

13. Cash and cash equivalents

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.

	2026	2025
	\$	\$
Cash & Cash Equivalents	3,287,612	2,617,192
	<u>3,287,612</u>	<u>2,617,192</u>

14. Trade and other receivables

	2026	2025
	\$	\$
Trade receivables	369,443	340,071
	<u>369,443</u>	<u>340,071</u>

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.

15. Financial Assets

	2026	2025
	\$	\$
At Amortised Cost		
Term Deposits	4,725,808	4,583,255
Total Financial Assets	<u>4,725,808</u>	<u>4,583,255</u>

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.

Notes to the financial statements (continued)

16. Other assets

	2026 \$	2025 \$
Prepayments	16,790	23,084
Security bond	37,818	37,818
Other	75,965	13,380
	<u>130,573</u>	<u>74,282</u>

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.

17. Property, plant and equipment

a. Property, plant and equipment details

	2026 \$			2025 \$		
	At Cost / Valuation \$	Accumulated Depreciation \$	Written Down Value \$	At Cost / Valuation \$	Accumulated Depreciation \$	Written Down Value \$
Leasehold improvements	508,529	(73,352)	435,177	508,529	(61,943)	446,586
Buildings	1,562,287	(282,960)	1,279,327	1,320,555	(250,063)	1,070,492
Motor vehicles	36,461	(16,996)	19,465	36,461	(11,688)	24,773
Furniture & fittings	888,040	(842,093)	45,947	882,476	(832,683)	49,793
	<u>2,995,317</u>	<u>(1,215,401)</u>	<u>1,779,916</u>	<u>2,748,021</u>	<u>(1,156,377)</u>	<u>1,591,644</u>

b. Movement in Carrying Amounts

2026	Buildings \$	Leasehold improvements \$	Furniture, fixtures and fittings \$	Motor vehicles \$	Total \$
Opening balance	1,070,492	446,586	49,793	24,773	1,591,644
Additions	-	-	5,564	-	5,564
Revaluation	241,732	-	-	-	241,732
Depreciation	(32,897)	(11,409)	(9,410)	(5,308)	(59,024)
Closing balance	<u>1,279,327</u>	<u>435,177</u>	<u>45,947</u>	<u>19,465</u>	<u>1,779,916</u>

2025	Buildings \$	Leasehold improvements \$	Furniture, fixtures and fittings \$	Motor vehicles \$	Total \$
Opening balance	1,101,083	18,887	37,513	31,530	1,189,013
Additions	-	431,883	22,199	-	454,082
Revaluation	-	-	-	-	-
Depreciation	(30,591)	(4,184)	(9,919)	(6,757)	(51,451)
Closing balance	<u>1,070,492</u>	<u>446,586</u>	<u>49,793</u>	<u>24,773</u>	<u>1,591,644</u>

c. Capital Expenditure Commitments

The entity does not have any capital expenditure commitments as at 30 June 2026 (2025: None).

Notes to the financial statements (continued)

17. Property, plant and equipment (continued)

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.

18. 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.

a. Option to Extend or Terminate

The option to extend or terminate are 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.

b. AASB 16 Amounts Recognised in the Statement of Financial Position

	2026			2025		
	At Cost /	Accumulated	Written Down	At Cost /	Accumulated	Written Down
	Valuation	Depreciation	Value	Valuation	Depreciation	Value
	\$	\$	\$	\$	\$	\$
Buildings	663,095	(125,352)	537,743	866,619	(268,595)	598,024
	663,095	(125,352)	537,743	866,619	(268,595)	598,024

c. Movements in Carrying Amounts

2026	Leased Buildings	Total
	\$	\$
Opening balance	598,024	598,024
Depreciation expense	(60,281)	(60,281)
Net carrying amount	537,743	537,743

d. AASB 16 Amounts Recognised in the Statement of Profit and Loss and Other Comprehensive Income

	2026	2025
	\$	\$
Depreciation expense related to right-of-use assets	60,281	93,972
Interest expense on lease liabilities	45,043	46,845
	105,324	140,817

Notes to the financial statements (continued)

19. Intangible assets

a. Intangible asset details

	2026			2025		
	At Cost / Valuation	Accumulated Amortisation	Written Down Value	At Cost / Valuation	Accumulated Amortisation	Written Down Value
	\$	\$	\$	\$	\$	\$
Franchise Fee	142,847	(35,712)	107,135	142,847	(7,142)	135,705
	<u>142,847</u>	<u>(35,712)</u>	<u>107,135</u>	<u>142,847</u>	<u>(7,142)</u>	<u>135,705</u>

Movement in Carrying Amounts

2026	Franchise Fees	Total
	\$	\$
Opening balance	135,704	135,704
Amortisation	(28,570)	(28,570)
Closing balance	<u>107,134</u>	<u>107,134</u>
2025	Franchise Fees	Total
	\$	\$
Opening balance	29,087	29,087
Additions	142,847	142,847
Disposals	(8,172)	(8,172)
Amortisation	(28,058)	(28,058)
Closing balance	<u>135,704</u>	<u>135,704</u>

Notes to the financial statements (continued)

20. Tax assets and liabilities

a. Current Tax

	2026	2025
	\$	\$
Income tax payable	20,901	38,528
Total	20,901	38,528

b. Deferred Tax

Movement in the Company's deferred tax balances for the year ended 30 June 2026:

	2025	Recognised in P&L	2026
	\$	\$	\$
Deferred Tax Assets			
- Expense accruals	14,724	(5,235)	9,489
- RoU assets and lease liabilities from AASB 16	6,897	5,179	12,076
- Employee provisions	37,667	7,090	44,757
Total deferred tax assets	59,288	7,034	66,322
Deferred Tax Liabilities			
- Accrued Income	(3,345)	(15,646)	(18,991)
- Prepayments	(5,771)	1,573	(4,198)
- Property, plant & equipment	(208,481)	(4,853)	(213,334)
Total deferred tax liabilities	(217,597)	(18,926)	(236,523)
Net deferred tax assets	(158,309)	(11,892)	(170,201)

Notes to the financial statements (continued)

20. Tax assets and liabilities (continued)

b. Deferred Tax (continued)

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

	2024	Recognised in P&L	2025
	\$	\$	\$
Deferred Tax Assets			
- 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
Total deferred tax assets	<u>53,300</u>	<u>5,988</u>	<u>59,288</u>
Deferred Tax Liabilities			
- Accrued Income	(8,874)	5,529	(3,345)
- Prepayments	(3,657)	(2,114)	(5,771)
- Property, plant & equipment	(209,910)	1,429	(208,481)
Total deferred tax liabilities	<u>(222,441)</u>	<u>4,844</u>	<u>(217,597)</u>
Net deferred tax assets	<u>(169,141)</u>	<u>10,832</u>	<u>(158,309)</u>

21. Trade and other payables

Current	2026	2025
	\$	\$
Trade payables	5,699	10,291
Other trade and other payables	173,365	172,671
	<u>179,064</u>	<u>182,962</u>

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.

Non-current	2026	2025
	\$	\$
Franchise fee payable	<u>62,854</u>	<u>125,706</u>

Notes to the financial statements (continued)

22. 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 5.50%.

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
Emerald Branch	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.

b. Lease Liabilities

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

	2026 \$	2025 \$
Current	45,016	39,563
Non-current	541,030	586,046

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 30 June 2026 were as follows.

	< 1 Year	1 - 2 Years	3 - 5 Years	> 5 Years	Total
30 June 2026					
Lease payments	85,084	177,903	287,373	235,028	785,388
Finance charges	(40,068)	(69,680)	(70,893)	(18,701)	(199,342)
Net present values	<u>45,016</u>	<u>108,223</u>	<u>216,480</u>	<u>216,327</u>	<u>586,046</u>
30 June 2025					
Lease payments	86,867	157,690	250,876	453,465	948,898
Finance charges	(47,304)	(93,112)	(113,281)	(69,592)	(323,289)
Net present values	<u>39,563</u>	<u>64,578</u>	<u>137,595</u>	<u>383,873</u>	<u>625,609</u>

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.

There were no expenses relating to short term leases.

Notes to the financial statements (continued)

23. Issued Capital

a. Issued Capital

	2026		2025	
	No.	\$	No.	\$
Ordinary shares - fully paid	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. Share capital movements

	2026	2025
Fully paid ordinary shares:		
At the beginning of the reporting period	2,222,039	2,222,039
At the end of the reporting period	2,222,039	2,222,039

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.

24. Reserves

	2026	2025
	\$	\$
Balance at the beginning of the period	526,591	526,591
Revaluation surplus	241,732	-
Reserves	768,323	526,591

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

The asset revaluation reserve records increments and decrements arising on the revaluation of land and buildings.

During the year, the Company's freehold property was independently revalued, resulting in a revaluation increment of \$241,732. The increment has been recognised in Other Comprehensive Income and accumulated within the Asset Revaluation Reserve.

25. Retained Earnings

	2026	2025
	\$	\$
Balance at the beginning of the period	7,430,498	6,357,702
Profit for the year	1,106,661	1,339,441
Dividends paid	(266,645)	(266,645)
Total	8,270,514	7,430,498

Notes to the financial statements (continued)

26. Cash flow information

Reconciliation of net income to net cash provided by operating activities:

	2026 \$	2025 \$
Profit for the year	1,106,661	1,339,441
Add / (less) non-cash items:		
Depreciation of PP&E	59,022	51,451
Depreciation of ROU	60,281	93,972
Amortisation of Intangibles	28,570	28,058
Revaluation of lease	-	1,768
Changes in assets and liabilities:		
(Increase) / decrease in trade and other receivables	(29,372)	39,343
(Increase) / decrease in prepayments and other assets	(56,291)	12,975
(Increase) / decrease in deferred tax asset	11,892	(62,728)
Increase / (decrease) in trade and other payables	(35,324)	(19,674)
Increase / (decrease) in current tax liability	(17,627)	(158,309)
Increase / (decrease) in provisions	28,357	22,382
Cash flows from operations	<u>1,156,169</u>	<u>1,348,679</u>

27. Financial Instruments

The following shows the carrying amounts for all financial instruments at amortised costs. 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	2026 \$	2025 \$
Financial Assets			
Cash and cash equivalents	13	3,287,612	2,617,192
Trade and other receivables	14	369,443	340,071
Term Deposits	15	4,725,808	4,583,255
Total		<u>8,382,863</u>	<u>7,540,518</u>
Financial Liabilities			
Trade and other payables	21	241,918	308,668
Lease liabilities	22	586,046	625,609
Total		<u>827,964</u>	<u>934,277</u>

Notes to the financial statements (continued)

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

	2026	2025
	\$	\$
Short-term employee benefits	30,000	30,000
Post-employment benefits	3,600	3,450
Total key management personnel compensation	33,600	33,450

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.

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.

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:
No transactions noted.

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

There have been no other transactions with key management or related parties other than those described above.

Notes to the financial statements (continued)

29. Auditor's Remuneration

The appointed auditor of Dandenong Ranges Community Finance Limited for the year ended 30 June 2026 is RSD Audit. Amounts paid or due and payable to the auditor are outlined below.

	2026 \$	2025 \$
Audit & Review Services		
Audit and review of financial statements (RSD Audit)	5,400	5,100
Total	<u>5,400</u>	<u>5,100</u>
Non-Audit Services		
Preparation of the financial statements (RSD Audit)	1,700	-
Total	<u>1,700</u>	<u>-</u>
Total auditor's remuneration	<u>7,100</u>	<u>5,100</u>

30. Dividends

a. Dividends declared or paid

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

	Number	2026 \$	Number	2025 \$
The following dividends were declared and paid:				
Fully franked ordinary dividends	<u>2,222,039</u>	<u>266,645</u>	<u>2,222,039</u>	<u>266,645</u>

Franked dividends declared or paid during the year were franked at the tax rate of 25%.

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.

	2026	2025
Profit attributable to ordinary shareholders (\$)	1,106,661	1,339,441
Weighted average number of ordinary shares (Number)	2,222,039	2,222,039
Basic and diluted earnings per share (Cent)	<u>50</u>	<u>60</u>

Notes to the financial statements (continued)

32. Events occurring after the reporting date

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.

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 17.c.

The Company has no other commitments requiring disclosure.

In the opinion of the directors, the Company did not have any contingencies requiring disclosure at 2026 (2025: None).

34. Statutory information

The registered office and principal place of business of the Company is:

30 Main Street, Upwey, VIC, 3158

The principal places of business are:

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

35. Fair value measurement

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 the following assets and liabilities at fair value on a 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 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	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)

35. Fair value measurement (continued)

a. Fair value hierarchy (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:

2026	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements				
Non-financial assets				
Freehold land & building	-	1,279,327	-	1,279,327
	-	1,279,327	-	1,279,327

2025	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Recurring fair value measurements				
Non-financial assets				
Freehold land & building	-	1,070,492	-	1,070,492
	-	1,070,492	-	1,070,492

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 (2025: no transfers).

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.

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.

c. Valuation of freehold land and building

The Company's freehold land and building was independently valued by an external Certified Practising Valuer for financial reporting purposes, with an effective valuation date of 9 December 2025. The valuation resulted in an assessed fair value of \$1,140,000 and a revaluation increment of \$241,732 recognised through Other Comprehensive Income and the Asset Revaluation Reserve.

The valuation was performed using both the Direct Comparison Approach and the Capitalisation of Net Income Approach.

Directors' declaration

For the year ended 30 June 2026

In the Directors opinion:

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

In the opinion of the directors:

1. The financial statements and notes of the company are in accordance with the *Corporations Act 2001*, including:
 - o giving a true and fair view of the company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and
 - o complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
2. there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable
3. The information disclosed in the attached consolidated entity disclosure statement, on page 46 is true and correct.

This declaration is made in accordance with a resolution of the Board of Directors.



Deborah Jayne Weber
Chair

Dated: 29 September 2026

Consolidated Entity Disclosure Statement

As at 30 June 2026

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

Dandenong Ranges Community Finance Limited 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.

Independent audit report



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 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the consolidated entity disclosure statement and other explanatory information and the Directors' declaration.

In our opinion, the accompanying financial report of the Company has been prepared in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and 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.

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.

Responsibilities of the Directors for the Financial Report

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

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

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

A stylized signature for RSD Audit, with the letters 'RSD' in a large, bold font and 'Audit' in a smaller, cursive font.

RSD Audit

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

Mahesh Silva
Associate Director

30 September 2026

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