Annual Report 2026





Elwood Community Financial Services Limited

Community Bank
Elwood

ABN 38 087 802 775

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Chair's report

For year ending 30 June 2026



We are passionate about strengthening our local community, creating opportunities for people to thrive and supporting the organisations that make our area such a vibrant and connected place to live.

I am delighted to present the Annual Report for Elwood Community Financial Services Limited (ECFS), reflecting another year of meaningful community investment, strong partnerships and a continued commitment to making a positive difference in the lives of those around us.

At Community Bank Elwood, our purpose has always been about more than banking. We are passionate about strengthening our local community, creating opportunities for people to thrive and supporting the organisations that make our area such a vibrant and connected place to live.

Our Community Impact

Throughout the year, we continued to deliver on this commitment through our Grants and Sponsorship Programs, contributing more than **$240,000+ through our Community Grants program** and a further **$180,000+ through our Sponsorships Program.**. These funds support a diverse range of local organisations, initiatives and events, helping them deliver valuable programs and services that benefit our community.

Education and youth development have remained important priorities for us. This year, we awarded two scholarships to support students in their educational journeys and delivered our Money Mentor Program at Elwood College, helping young people build their financial knowledge and confidence. We also sponsored four students to attend a leadership summit at Campaspe Downs in the Macedon Ranges, providing them with an opportunity to develop their leadership skills, build connections and explore their potential as future community leaders.

We believe investing in young people is an investment in the future of our community, and we are proud to support initiatives that empower the next generation with the skills, knowledge and confidence to succeed.

Celebrating Our Community

In October, we held a special Community Celebration Evening to recognise and celebrate the outstanding work of our local community organisations and the people who dedicate their time and energy to making a difference.

The evening provided an opportunity to celebrate our 2026 grant recipients, hear from previous recipients about the impact our funding has had on their organisations and the communities they serve, and acknowledge the remarkable contributions of local volunteers and community leaders.

We were also delighted to announce the recipients of our Volunteer Awards, Community Champion Award and Young Changemaker Award. These awards recognise the generosity, dedication and leadership of individuals who go above and beyond to support others and strengthen our community.

It was a wonderful opportunity to bring our community together, share inspiring stories and reflect on what can be achieved when people and organisations work together towards a common purpose. We congratulate all our award recipients and grant recipients and thank every organisation and volunteer who continues to make such a valuable contribution to our local area.

Our Team and Our Future

We have also welcomed our new customer service officer, Erin to Community Bank Elwood this year. We were pleased to welcome Nas as our new Business Development Manager, strengthening our lending team and our ability to support customers and local businesses. We have also welcomed new team members in our branch. We encourage you to pop in, say hello and allow our team to introduce themselves. We look forward to building new relationships and continuing to provide personalised service to our customers.

Our achievements would not be possible without the dedication and commitment of our voluntary Board of Directors, who generously contribute their time, knowledge and expertise to guide our business and support our community focused mission. I extend my sincere thanks to each Director for their ongoing contribution and commitment.

I would also like to acknowledge our exceptional branch team, executive assistant and management, whose professionalism, enthusiasm and dedication ensure that we continue to deliver outstanding customer service while creating meaningful opportunities for community investment. Their efforts are central to our success, and I thank them for the important role they play every day.

Looking Ahead

The year ahead is looking promising, with exciting new initiatives and opportunities on the horizon. We remain committed to exploring innovative ways to support local organisations, invest in education and youth development, and strengthen the connections that make our community so special.

As we look to the future, we do so with optimism and a strong sense of purpose. We recognise that our ability to give back depends on the continued trust and support of our customers, shareholders and the wider community. Every banking relationship helps us create opportunities to reinvest in the people and organisations that make a difference locally.

On behalf of the Board, I sincerely thank our shareholders for their continued confidence in ECFS, our customers for choosing to bank with us, and our community partners for the wonderful work they do. Your support enables us to continue contributing to the social, cultural and economic wellbeing of our local area.

Together, we are building a stronger, more connected community, and we look forward to another year of collaboration, growth and shared achievements.

Thank you for being part of the Community Bank Elwood journey.



Carole Mackie
Chair

Manager's report

For year ending 30 June 2026



The standout success of the year was the remarkable growth in our deposit portfolio. As customers looked for security and trusted local service, they turned to us.

The past financial year has been a dynamic one. Across Australia, and right here in Elwood, households and businesses have skilfully managed rising living costs and a changing economic landscape. We have seen firsthand the resilience and prudence of our customers, who have focused on building their savings and making smart borrowing decisions. In a fiercely competitive banking sector, your Community Bank has remained a trusted local partner, delivering a strong and strategic performance.

Our total footings closed the year at **$243.29 million**, compared to an opening balance of **$245.92 million**, representing a minor contraction of **$2.63 million (-1.07%)**.

This movement was largely driven by the impact of customer loan discharges as borrowers refinanced in a highly competitive lending market. This was combined with the scheduled run-off and our disciplined, selective approach to lending in a heavily discounted environment. Rather than chasing low-profit loans at all costs, we took a deliberate and strategic path to protect our margins.

Looking ahead, we are entering the new financial year with a strong lending pipeline of **$25.76 million**, which positions us well for renewed growth.

The standout success of the year was the remarkable growth in our deposit portfolio. As customers looked for security and trusted local service, they turned to us. Total deposits grew by an incredible **$16.13 million** to close the year at **$133.57 million**.

- **Target Achieved:** This result was **244.57%** of our annual target, a testament to the trust our community places in us.
- **Everyday & Savings Accounts (At-Call):** Grew by **$11.46 million**, showing strong loyalty from our personal and business customers.
- **Term Deposits:** Grew by **$4.67 million** as customers took advantage of the attractive returns we offered.

The lending market remained challenging, with intense competition and widespread refinancing activity. Our total lending portfolio closed at **$107.36 million**, reflecting a net decrease of $11.68 million for the year.

To give you a clearer picture of how our local book is structured:

- **Residential Mortgages:** Our home loan portfolio closed at **$103.00 million** (a decrease of $9.96 million). This was mainly influenced by existing customers paying down their loans faster and the high level of refinancing activity (discharges) across the market
- **Commercial & Small Business:** This portfolio finished the year at **$1.97 million** (a net change of -$1.94 million)
- **Equipment Finance & Leasing:** This was a standout success. The portfolio grew by an impressive **$393,099** to close at **$499,148**, showing strong and growing demand from local businesses for asset funding.

Our strategy is simple: to be the best bank for our customers. Instead of looking at single transactions, our team is focused on understanding our customers complete financial picture. We are committed to having meaningful conversations about everything from daily banking and savings goals to home loans, business needs, and wealth protection.

Over the coming year, we will be increasing our outreach within the Elwood community, connecting with local traders and partners to show them the benefits of banking with us.

Our branch's success is driven by the passion and expertise of our staff. This year, we were thrilled to welcome two new members to our team:

- **Erin – Customer Service Officer (CSO):** Erin has brought a wonderful warmth and a customer-first attitude to our frontline team.
- **Nas – Business Development Manager (BDM):** Nas brings a wealth of business experience and is focused on growing our local business lending and partnerships.

Erin and Nas bring valuable new energy and skills, ensuring every customer who walks through our doors receives the best possible service.

What truly makes Community Bank Elwood different is our purpose. Unlike the major banks, our success is shared directly with our community. The profits we generate from every account, loan, and deposit are reinvested right back here into Elwood. This funding supports local sponsorships, community grants, and vital projects—all while providing a healthy return to you, our shareholders.

To our shareholders, Board of Directors, community partners, and customers—thank you. Your loyalty and support are the bedrock of our success. Every time you recommend us to a friend, family member, or colleague, you are making a real, tangible difference to the prosperity of our community.

Our team is energised and ready for the year ahead. We look forward to seeing you in the branch soon.

Sincerely,

Kristy McRae
Branch Manager

Community contributions 2025-26

$412,075
Community contributions

$211,305
Grants

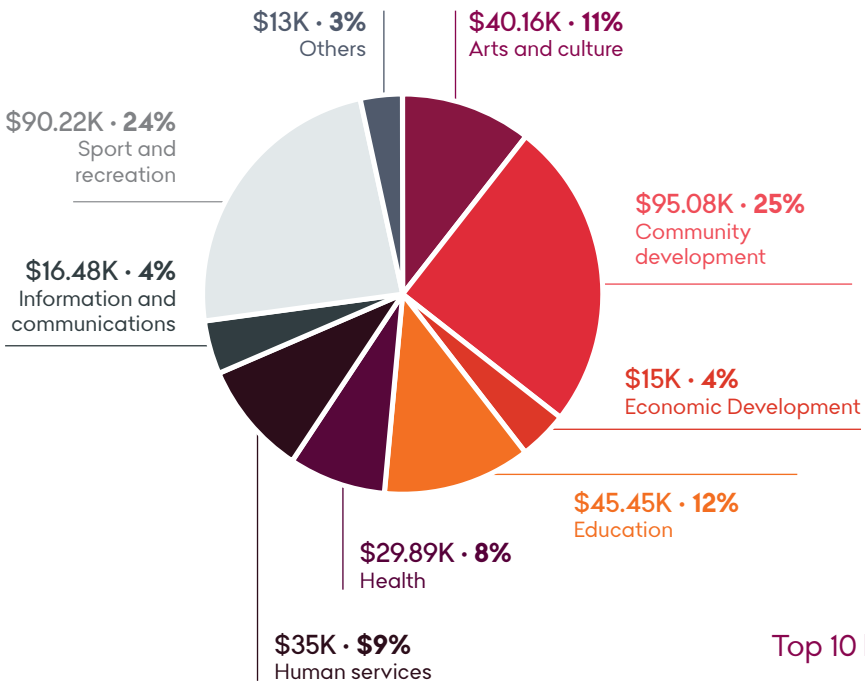
$185,207
Sponsorships

$15,563
Donations

43
Community investments

1,639
Total volunteers

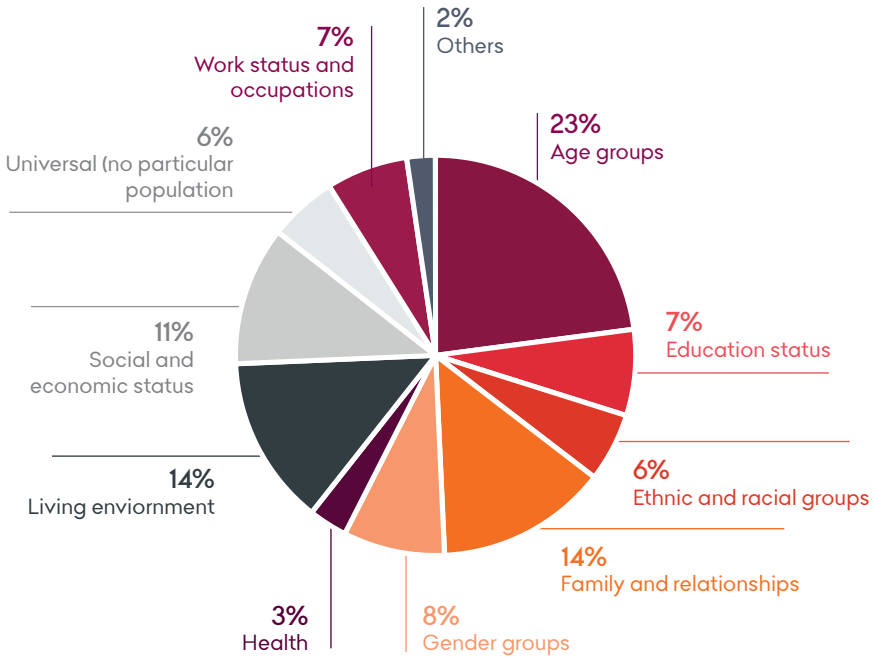
Funding by theme





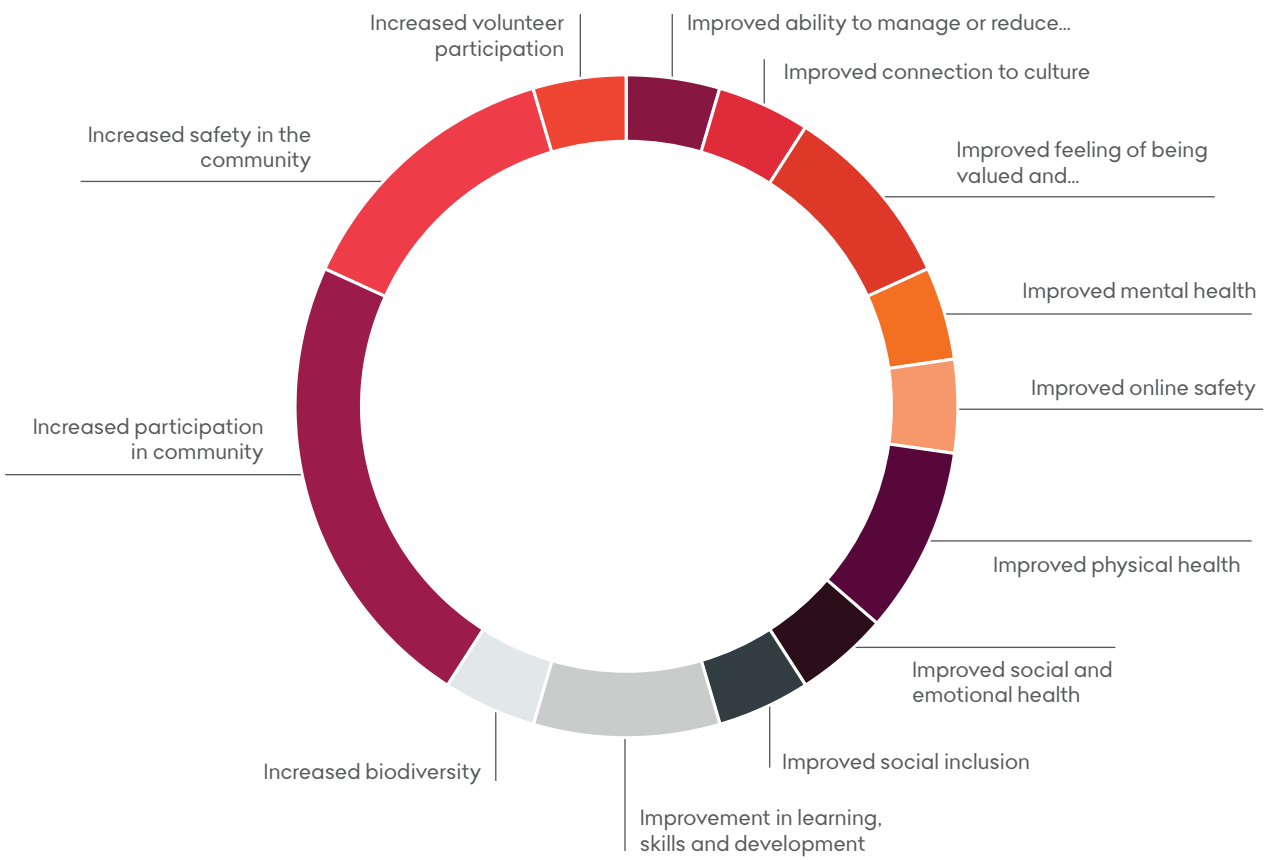


Top 10 beneficiaries

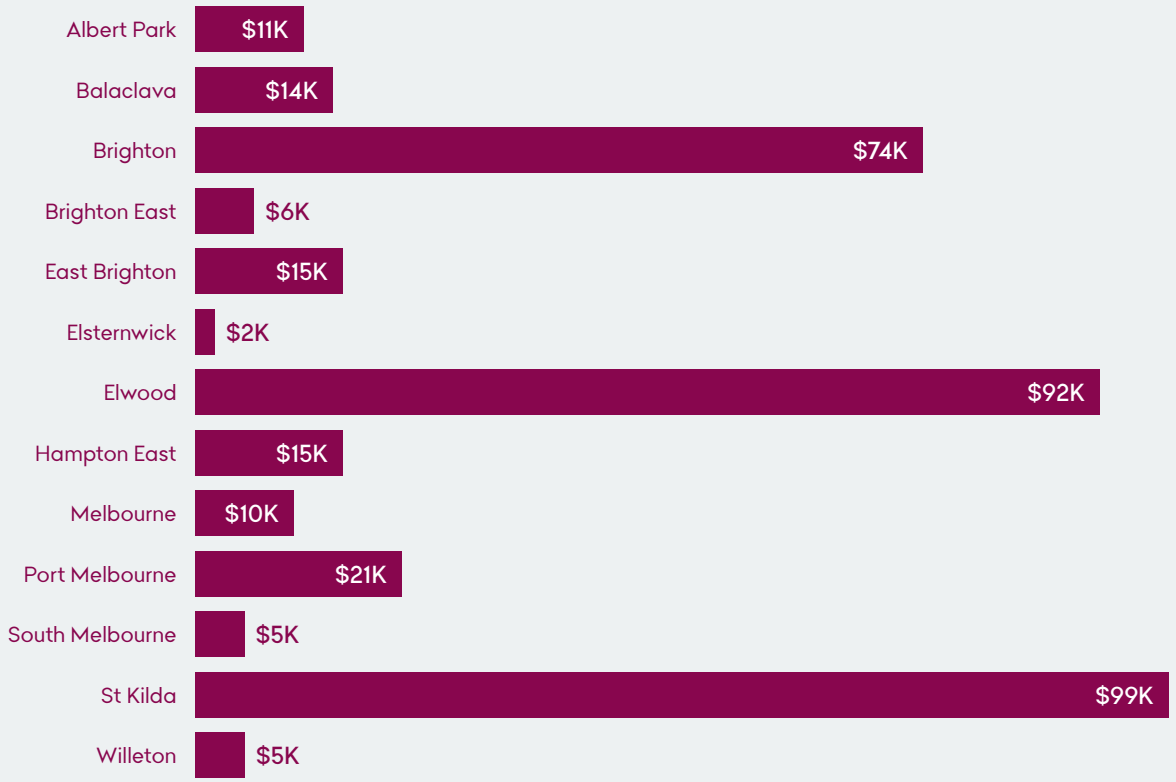


Community contributions (continued)

Grant targeted outcomes



Funding by location (Grants and Sponsorships)



Community contributions (continued)

2025-2026 Contributions

Brighton Grammar - Ad Astra STEM Racing Team	St Kilda Arts Community
Brighton Union Cricket Club	St Kilda City Junior Football Club
East Brighton Football Club	St Kilda City Soccer Clun Inc
East Brighton Vampires Basketball Club	Zoe Heffernan – ILCA National Championships
East Brighton Vampires Junior Football Club	Linden New Art
Elsternwick Park Sports Club	Bendigo Bank Community Foundation
Elwood Angling Club	The Australian Volunteer Coast Guard Association
Elwood City Soccer Club	Elwood Cricket Club
Elwood College	Australian Tapestry Workshop
Elwood Primary School	St Columba's Catholic Parish Elwood
Elwood Sailing Club	Elsternwick Primary School
Elwood Tennis Club	First Step
Inner West Community Foundation	St Kilda & Balaclava Kindergarten Inc.
King of Tonga	Christ Church Mission Inc
Linden New Art Gallery	Poets Garden
Melbourne Central Basketball Association Incorporated	Yalukit Willam Nature Association
Melbourne Womens Foundation	Kiwanis Club of Brighton Bayside
Rohana Hayes – Marooned Film	North Brighton Kindergarten
Royal Calisthenics College	St Kilda Gatehouse
Royal Melbourne Yacht Squadron	South Port Day Links
Southport Day Linka	The Elwood Children's Centre Inc



Directors' report

30 June 2026

The Directors present their report together with the financial statements on Elwood Community Financial Services Limited for the financial year ended 30 June 2026.

Information on Directors

The names of each person who has been a Director during the year and to date of the report are:

- Carole Ann Mackie
- Adam Mckie
- Emma Brennan
- Gary March - Resigned November 2025
- Ariane Vincent
- Johanna Verberne
- Nicky Brooks

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.

Directors' Meetings

Meetings of Directors

During the financial year, 11 meetings of Directors (including committees of Directors) were held.

Attendances by each Director during the year were as follows:

	Number eligible to attend	Number attended
Carole Ann Mackie	11	11
Adam Mckie	11	10
Emma Brennan	11	10
Gary March	5	4
Ariane Vincent	11	11
Johanna Verberne	11	10
Nicky Brooks	11	10

Meetings of Directors (continued)

Directors' Benefits

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

Directors' Interests in the Entity

Director	2025 $	Changes during the year $	2026 $
Carole Ann Mackie	-	-	-
Adam Mckie	-	-	-
Gary March	1,000	-	1,000
Ariane Vincent	-	-	-
Johanna Verberne	-	-	-
Nicky Brooks	-	-	-
Emma Brennan	-	-	-

Principal activities

The principal activity of Elwood Community Financial Services 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.

No significant changes in the nature of the Company's activity occurred during the financial year.

Operating results

The profit of the Company after providing for income tax amounted to $405,014 (2025: $305,421).

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 $38,048 was declared on 27 October 2025 for payment for the year ended 30 June 2025.

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.

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 25** 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.

Auditor's Independence Declaration

A copy of the Auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 12 of this financial report.

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

Dated: 18/09/2026



Auditor's independence declaration

Auditors Independence Declaration under section 307C of the *Corporations Act 2001* to the Directors of Elwood Community Financial Services 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 Elwood Community Financial Services 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.

RSD Audit

Tyson Holt
Associate Director

21 September 2026

Financial statements

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	1,705,740	1,568,165
Finance income	8	18,088	9,242
Other income	7.b	44,758	43,616
Total income		1,768,586	1,621,023
Depreciation and amortisation	10	(24,874)	(25,069)
Employee benefit expenses	9.a	(667,171)	(673,773)
Finance expenses	8	(6,915)	(13,891)
Impairment losses on receivables		(34)	(55)
Administrative expenses		(53,106)	(44,541)
Occupancy expenses		(61,025)	(72,020)
IT expenses		(38,305)	(36,889)
ATM expenses		(6,241)	(6,107)
Other expenses		(80,051)	(44,901)
Total expense		(937,722)	(917,246)
Profit before charitable donations and sponsorships		830,864	703,777
Charitable donations and sponsorships	11	(290,845)	(297,877)
Profit before income tax		540,019	405,900
Income tax	12	(135,005)	(100,479)
Profit for the year		405,014	305,421
Total comprehensive income for the year		405,014	305,421

Earnings per share	**Note**	**¢**	**¢**
	29	160	120

The accompanying notes form part of these financial statements.

Statement of Financial Position
As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	13	316,605	447,987
Trade and other receivables	14	157,603	152,591
Other financial assets	15	641,933	235,465
Other assets	16	5,642	2,870
Total Current assets		1,121,783	838,913
Non-current assets			
Property, plant and equipment	17	2,152,044	2,161,361
Intangible assets	18	46,671	62,228
Deferred tax assets	19	16,077	25,318
Total Non-current assets		2,214,792	2,248,907
Total Assets		3,336,575	3,087,820
Liabilities			
Current liabilities			
Trade and other payables	20	357,307	340,535
Current tax liabilities	19	67,070	73,190
Borrowings	21	55,093	95,355
Employee benefits	9.b	45,727	76,415
Total Current liabilities		525,197	585,495
Non-current liabilities			
Borrowings	21	-	53,033
Employee benefits	9.b	7,807	12,687
Total Non-current liabilities		7,807	65,720
Total		533,004	651,215
Net Assets		2,803,571	2,436,605
Equity			
Share capital	22	253,650	253,650
Retained earnings	23	2,549,921	2,182,955
Total Equity		2,803,571	2,436,605

The accompanying notes form part of these financial statements.

Statement of Changes in Equity
For the year ended 30 June 2026

2025	Share Capital $	Retained earnings $	Total equity $
Opening balance	253,650	1,915,582	2,169,232
Profit for the year	-	305,421	305,421
Dividends provided for or paid	-	(38,048)	(38,048)
Closing balance	253,650	2,182,955	2,436,605

2026	Share Capital $	Retained earnings $	Total equity $
Opening balance	253,650	2,182,955	2,436,605
Profit for the year	-	405,014	405,014
Dividends provided for or paid	-	(38,048)	(38,048)
Closing balance	253,650	2,549,921	2,803,571

The accompanying notes form part of these financial statements.

Statement of Cash Flows
For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities:			
Receipts from customers		1,744,134	1,597,352
Payments to suppliers and employees		(1,201,384)	(1,270,721)
Dividends received		1,356	1,356
Distributions received		18,088	9,242
Interest paid		(6,915)	(13,891)
Income taxes paid		(131,883)	(90,238)
Net cash flows from operating activities	24	423,396	233,100
Cash flows from investing activities:			
Payments for intangible asset		(15,557)	(15,552)
Payments for property, plant and equipment		-	(2,282)
Purchase of financial assets		(410,968)	(8,251)
Net cash used in investing activities		(426,525)	(26,085)
Cash flows from financing activities:			
Repayment of borrowings		(93,296)	(90,919)
Dividends Paid		(34,957)	(33,933)
Net cash used in financing activities		(128,253)	(124,852)
Net increase/(decrease) in cash and cash equivalents		(131,382)	82,163
Cash and cash equivalents at beginning of year		447,987	365,824
Cash and cash equivalents at end of financial year		316,605	447,987

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 Elwood Community Financial Services Limited (the Company) as an individual entity. Elwood Community Financial Services Limited is a company limited by shares, incorporated and domiciled in Australia. The financial statements were authorised for issue by the Directors on 18 September 2026.

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 26.

Comparatives are consistent with prior years, unless otherwise stated.

2. Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001*.

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.

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 Elwood Community Bank Branch.

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

The Company operates as a franchise of Bendigo Bank, using the name “Bendigo Bank” and the logo and system of operations of Bendigo Bank. The company manages the Community Bank on behalf of Bendigo Bank, however all transactions with customers conducted through the Community Bank are effectively conducted between the customers and Bendigo Bank.

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.

3. Summary of Significant Accounting Policies (continued)

b. Revenue from contracts with customers

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

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

Revenue is recognised on an accruals basis, at the fair value of consideration specified in the franchise agreement. Under AASB 15 *Revenue from Contracts with Customers* (AASB 15), revenue recognition for the Company's revenue stream is as follows:

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

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

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:

Interest paid by customers on loans, less interest paid to customers on deposits

plus

Deposit returns (i.e. interest return applied by BABL on deposits)

minus

Any costs of funds (i.e. interest applied by BABL to fund a loan)

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

3. Summary of Significant Accounting Policies (continued)

b. Revenue from contracts with customers (continued)

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.

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.

vii. Other income

Other income is recognised on an accruals basis when the Company is entitled to it.

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.

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

3. Summary of Significant Accounting Policies (continued)

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 income 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 income 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.

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. 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 that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

h. 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.

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.

3. Summary of Significant Accounting Policies (continued)

i. Property, Plant & Equipment (continued)

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 - 50 years
Plant & equipment	Straight Line	5 - 50 years
Furniture & Fittings	Straight Line	5 - 20 years

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

j. 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.

k. 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, loans.

3. Summary of Significant Accounting Policies (continued)

k. Financial instruments (continued)

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.

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.

3. Summary of Significant Accounting Policies (continued)

k. Financial instruments (continued)

ii. Classification & Subsequent Measurement (continued)

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)

l. 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.

m. 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.

n. 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.

o. 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.

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 though promotion and inflation.

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

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

a. Credit risk

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

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

5. Financial risk management (continued)

b. Liquidity Risk

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

Non-derivative financial liability	Carrying amount $	<12 Months $	1 - 5 Years $	> 5 Years $
Borrowings	55,093	55,093	-	-

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 Values Interest Rate Risk

Interest-bearing assets are held with Bendigo and Adelaide Bank and subject to movements in market interest. Interest-rate risk could also arise from long-term borrowings. Borrowings issued at variable rates expose the Company to cash flow interest-rate risk.

The Company held cash and cash equivalents of $316,605 at 30 June 2026 (2025: $447,987. The cash and cash equivalents are held with Bendigo & Adelaide Bank, which are rated BBB on Standard & Poor's credit ratings.

ii. Price risk

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

There is no exposure to the Company in regard to commodity price risk.

6. Capital Management

The Board's policy is to maintain a strong capital base so as to sustain future development of the Company. The Board of Directors monitor the return on capital and the level of distributions to shareholders. Capital is represented by total equity as recorded in the statement of financial position.

In accordance with the franchise agreement, in any 12 month period the funds distributed to shareholders shall not exceed the distribution limit.

The distribution limit is the greater of:

(a) 20% of the profit or funds of the Company otherwise available for distribution to shareholders in that 12 month period; and

(b) subject to the availability of distributable profits, the relevant rate of return multiplied by the average level of share capital of the Company over that 12 month period where the relevant rate of return is equal to the weighted average interest rate on 90 day bank bills over that 12 month period plus 5%.

The Board is managing the growth of the business in line with this requirement. There are no other externally imposed capital requirements, although the nature of the Company is such that amounts will be paid in the form of charitable donations and sponsorship. Charitable donations and sponsorship paid for the year ended 30 June 2025 can be seen in the statement of profit or loss and other comprehensive Income.

There were no changes in the Company's approach to capital management during the year.

7. Revenue and other income

a. 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	1,705,740	1,568,165
Disaggregation of Revenue from Contracts with Customers		
Gross Margin	1,529,953	1,398,540
Upfront Product Commission	20,606	20,209
Trailer Product Commission	78,357	70,544
Fee Income	76,824	78,872
Total	**1,705,740**	**1,568,165**

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.

b. Other revenue

The Company generates other sources of revenue as outlined below.

7. Revenue and other income (continued)

b. Other revenue (continued)

	2026 $	2025 $
Other income	44,758	43,616

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.

	2026 $	2025 $
Trust distribution income	18,088	9,242

8. Finance income and expenses (continued)

b. Finance expenses

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

	2026 $	2025 $
Interest expense	6,915	13,891

9. Employee benefits

a. Employee benefits expenses

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

	2026 $	2025 $
Employee Benefits Expense		
Wages & salaries	594,078	559,039
Superannuation	69,176	64,419
Other employee benefit expenses	3,917	50,315
Total	667,171	673,773

b. Provisions for employee benefits

Current	2026 $	2025 $
Annual leave	21,219	32,710
Long service leave	24,508	43,705
	45,727	76,415

Non-current	2026 $	2025 $
Long service leave	7,807	12,687

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.

10. Depreciation & Amortisation Expense

	2026 $	2025 $
Depreciation of Non-Current Assets		
buildings	7,377	7,336
plant and equipment	1,292	1,531
furniture and fittings	648	645
Total	9,317	9,512
Amortisation of Intangible Assets		
franchise fee	15,557	15,557
	15,557	15,557
Total	24,874	25,069

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) and 3(j) 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	190,845	197,877
Contribution to the Community Enterprise Foundation	100,000	100,000
Total	290,845	297,877

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.

11. Community Investments & Sponsorship (continued)

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.

Disaggregation of CEF funds	2026 $	2025 $
Opening balance	262,917	210,613
Contributions paid	105,789	263,469
Grants paid out	(203,114)	(203,869)
Interest received	8,070	12,527
GST Paid	4,820	(6,666)
Management fees incurred	(5,263)	(13,157)
Balance available for distribution	173,219	262,917

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	125,762	110,690
Deferred tax expense	9,243	(8,669)
Under provisions of prior years	-	(1,542)
Total	135,005	100,479

b. Reconciliation of income tax to accounting profit:

	2026 $	2025 $
Profit for the year		
Profit for the year	405,014	305,421
Add back income tax expense		
Current tax expense	135,005	100,479
Total Profit for the year	540,019	405,900
Prima facie tax payable on profit from ordinary activities before income tax at 25% (2024: 25%)	(135,005)	(101,475)
Add / (Less) tax effect of:		
Under provision for income tax in prior year	-	1,542
Temporary differences	(9,243)	(9,215)
Movement in deferred tax	9,243	8,669
Income tax attributable to the entity	(135,005)	(100,479)
Income tax expense	(135,005)	(100,479)
Weighted average effective tax rate (%)	25	25

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	316,605	447,987
Total	316,605	447,987

14. Trade and other receivables

	2026 $	2025 $
Trade receivables		
Trade receivables	150,483	150,424
Other receivables	7,120	2,167
Total	157,603	152,591

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 FVTPL		
Listed investments	22,714	27,214
Financial assets	619,219	208,251
Total	641,933	235,465
Total	641,933	235,465

Financial assets at FVTPL 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.

16. Other assets

	2026 $	2025 $
Prepayments	5,642	2,870
Total	5,642	2,870

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 $	Accumulated Depreciation $	Written Down Value $	At Cost $	Accumulated Depreciation $	Written Down Value $
Buildings	343,066	(93,893)	249,173	343,066	(86,516)	256,550
Land	1,889,550	-	1,889,550	1,889,550	-	1,889,550
Plant & Equipment	49,781	(41,640)	8,141	49,781	(40,348)	9,433
Furniture & Fittings	223,000	(217,820)	5,180	223,000	(217,172)	5,828
TOTAL	2,505,397	(353,353)	2,152,044	2,505,397	(344,036)	2,161,361

b. Movement in Carrying Amounts

2026	Land $	Buildings $	Plant and equipment $	Furniture and fittings $	Total $
Opening balance	1,889,550	256,550	9,433	5,828	2,161,361
Depreciation	-	(7,377)	(1,292)	(648)	(9,317)
Closing balance	1,889,550	249,173	8,141	5,180	2,152,044

2025	Land $	Buildings $	Plant and equipment $	Furniture and fittings $	Total $
Opening balance	1,889,550	263,886	8,682	6,473	2,168,591
Additions	-	-	2,282	-	2,282
Depreciation	-	(7,336)	(1,531)	(645)	(9,512)
Closing balance	1,889,550	256,550	9,433	5,828	2,161,361

c. Capital Expenditure Commitments

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

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. 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	77,785	(31,114)	46,671	77,785	(15,557)	62,228
TOTAL	77,785	(31,114)	46,671	77,785	(15,557)	62,228

b. Movement in Carrying Amounts

2026	Franchise Fees $	Total $
Opening balance	62,228	62,228
Amortisation	(15,557)	(15,557)
Closing balance	46,671	46,671

2025	Franchise Fees $	Total $
Opening balance	77,785	77,785
Amortisation	(15,557)	(15,557)
Closing balance	62,228	62,228

19. Tax assets and liabilities

a. Current Tax

	2026 $	2025 $
Current tax liabilities	67,070	73,190
Total	67,070	73,190

19. Tax assets and liabilities (continued)

a. Current Tax (continued)

	2026 $	2025 $

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	7,873	457	8,330
- Financial Assets carried at FVTPL	448	1,125	1,573
- Employee provisions	22,276	(8,892)	13,384
Total deferred tax assets	30,597	(7,310)	23,287
Deferred Tax Liabilities			
- Prepayments	(718)	(693)	(1,411)
- Accrued income	(542)	(1,238)	(1,780)
- Property, plant & equipment	(4,019)	-	(4,019)
Total deferred tax liabilities	(5,279)	(1,931)	(7,210)
Net deferred tax assets	25,318	(9,241)	16,077

19. 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	6,807	1,066	7,873
- Financial assets carried at FVTPL	1,067	(619)	448
- Employee provisions	13,354	8,922	22,276
Total deferred tax assets	21,228	9,369	30,597
Deferred Tax Liabilities			
- Prepayments	(836)	118	(718)
- Accrued income	(294)	(248)	(542)
- Property, plant & equipment	(3,449)	(570)	(4,019)
Total deferred tax liabilities	(4,579)	(700)	(5,279)
Net deferred tax assets	16,649	8,669	25,318

20. Trade and other payables

	2026 $	2025 $
Trade payables	(160,046)	(151,366)
Franchise Fee Payable	(46,676)	(62,233)
Dividend payable	(55,075)	(51,984)
Other trade and other payables	(95,510)	(74,952)
Total	(357,307)	(340,535)

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.

21. Borrowings

	2026 $	2025 $
Secured Liabilities (Bank Loans)		
Current	55,093	95,355
Non-Current	-	53,033
Total	55,093	148,388

Loans

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measures at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings as classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

The Company has a mortgage loan which is subject to normal terms and conditions. The current interest rate is 6.9%. This loan has been created to fund the purchase of the building at 142 Ormond Road, Elwood. There are no covenants attached to the loan.

22. Issued Capital

a. Issued Capital

	2026		2025	
	No.	$	No.	$
Ordinary shares - fully paid	253,650	253,650	253,650	253,650

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 $
Opening balance	253,650	253,650
Closing balance	253,650	253,650

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.

23. Retained Earnings

	2026 $	2025 $
Balance at the beginning of the period	2,182,955	1,915,582
Profit for the year	405,014	305,421
Dividends paid	(38,048)	(38,048)
Total	2,549,921	2,182,955

24. Cash flow information

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

	2026 $	2025 $
Profit for the year	405,014	305,421
Add / (less) non-cash items:		
Depreciation	9,317	9,512
Amortisation	15,557	15,557
Fair Value (increase)/decrease	4,500	(2,476)
Changes in assets and liabilities:		
(Increase) / decrease in trade and other receivables	(5,011)	(13,078)
(Increase) / decrease in prepayments and other assets	(2,772)	474
(Increase) / decrease in deferred tax asset	9,241	(8,669)
Increase / (decrease) in trade and other payables	29,238	(128,238)
Increase / (decrease) in current tax liabilities	(6,120)	18,910
Increase / (decrease) in provisions	(35,568)	35,687
Cash flows from operations	423,396	233,100

25. Financial Instruments

The following shows the carrying amounts for all financial instruments at amortised cost and fair value through profit and loss. 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			
Trade and other receivables		157,603	152,591
Cash and cash equivalents		316,605	447,987
Other financial assets - FVTPL		641,933	235,465
Total		1,116,141	836,043

25. Financial Instruments (continued)

	Note	2026 $	2025 $
Financial Liabilities			
Trade and other payables		(357,307)	(340,535)
Borrowings		(55,093)	(95,355)
Total		(412,400)	(435,890)

26. Related Parties

a. Key Management Personnel

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

b. Key Management Personnel Compensation

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

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

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:

Name of Related Party	Description of Goods or Services Provided	Value
EMetalTrading Pty Ltd - Carole Mackie	Accounting & Bookkeeping Services	$6,300

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.

27. Auditor's Remuneration

The appointed auditor of Elwood Community Financial Services 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)	6,950	6,600
Total	6,950	6,600
Non-Audit Services		
Preparation of the financial statements	2,650	2,650
Other non-audit services	3,100	3,000
Total	5,750	5,650
Total auditor's remuneration	12,700	12,250

28. Dividends

a. Dividends declared or paid

	Number	2026 $	Number	2025 $
The following dividends were declared and paid:				
Fully franked ordinary dividends	253,650	38,048	253,650	38,048

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

29. 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 ($)	405,014	305,421
Weighted average number of ordinary shares (Number)	253,650	253,650
Basic and diluted earnings per share (cents)	160	120

30. 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.

31. Commitments & Contingencies

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).

32. Statutory information

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

Elwood Community Financial Services Limited

142 Ormond Road, Elwood VIC 3184.

Directors' declaration

For the year ended 30 June 2026

In the Directors opinion:

In accordance with a resolution of the directors of Elwood Community Financial Services Ltd , 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:
    - 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
    - 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.

Dated: 18/09/2026



Consolidated Entity Disclosure Statement

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

Elwood Community Financial Services 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 Elwood Community Financial Services Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Elwood Community Financial Services 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.

RSD Audit Pty Ltd | ABN: 85 619 186 908
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Liability limited by a scheme approved under Professional Standards Legislation

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.

RSD Audit

Tyson Holt
Associate Director

21 September 2026

Community Bank · Elwood
142 Ormond Road, Elwood VIC 3184
Phone: 03 9525 6577
Email: elwoodmailbox@bendigoadelaide.com.au
Web: bendigobank.com.au/elwood

Franchisee: Elwood Community Financial Services Limited
ABN: 38 087 802 775
142 Ormond Road, Elwood VIC 3184
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/ communitybank_elwood

Bendigo Bank

Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL/Australian Credit Licence 237879. (BNPAR26095) (10/26)