

Geographe Bay Community Enterprises Limited

Community Bank Busselton and Dunsborough

ABN 40 146 993 982



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Chair's report

For year ending 30 June 2025

Dear Shareholders, Community Members, and Friends of Geographe Bay Community Enterprises Limited,

It is my privilege to present the Chair's report for the year ending 30 June 2025. This has been a year of consolidation, growth, and forward planning, as we strengthened our position as a community-owned enterprise and prepared for the future with confidence.

I am pleased to report that Geographe Bay Community Enterprises Limited delivered another strong financial result. Net profit after tax for the year was \$306,774, a substantial increase on last year's \$170,590. Revenue grew to \$1.75 million, reflecting resilience in our core business operations.

Our net assets rose to \$873,917 (up from \$642,567 in 2024), and we declared an unfranked dividend of 4 cents per share, returning \$75,424 to our shareholders. These results reflect our ability to balance profitability, shareholder returns, and community investment.

Community remains at the heart of our mission. In 2024/25, we invested more than \$42,000 into local initiatives through donations, sponsorships, and partnerships. These funds supported sporting clubs, schools, community groups, and not-for-profit organisations that strengthen our region's social fabric.

As financial outcomes improve, the Board is committed to growing this impact further, guided by our long-term aspiration to deliver a minimum of \$150,000 annually into the local community while maintaining consistent dividend returns to shareholders.

Our staff team has remained relatively stable throughout the year, delivering consistent, high-quality service across our branches. I sincerely thank them for their professionalism, resilience, and commitment to both our customers and community.

A major step forward was the appointment of a new Business Development Manager, bringing renewed focus on business lending, customer relationships, and growth opportunities. This role has already enhanced our ability to build deeper connections with clients and position the business for future sustainability. A key milestone was the completion and publication of our first Strategic Plan for FY26–FY28. This plan sets a clear direction with measurable goals across three pillars:

- · Delivering strong shareholder returns
- · Increasing our community impact
- · Ensuring long-term business sustainability

The Board is excited to drive this plan forward in partnership with staff, shareholders, and community stakeholders.

Your Board has remained united, focused, and effective in guiding the business through this period of growth. The mix of skills and experience represented ensures strong governance, sound financial oversight, and active engagement with the Bendigo Bank network.

With a clear strategy, strong financial foundations, and a committed team, the year ahead presents real opportunities. We are well positioned to:

- Grow shareholder returns
- Expand community contributions
- Continue strengthening our reputation as a trusted community-owned enterprise

On behalf of the Board, I extend my thanks to our staff for their dedication, to my fellow Directors for their leadership and commitment, and to our shareholders and community members for your continued trust and support.

Together, we will build on our strong foundation and ensure Geographe Bay Community Enterprises Limited continues to thrive as a business that delivers both financial and social returns.

Kind regards,

Joshua Hardy

Chair

Geographe Bay Community Enterprises Limited

Manager's report

For year ending 30 June 2025

This year has been one of growth, renewal, and a continued commitment to the community we are proud to serve. At Community Bank Busselton and Dunsborough, we believe that success begins with people – our staff, our customers, and our community.

Building a Strong Team

Our dedicated team is the heart of our branch. This year we placed particular focus on onboarding, training, and staff development to ensure we have the skills, knowledge, and confidence to support the evolving needs of our customers. We welcomed new team members into the fold and invested in structured training programs so that every interaction – whether it's opening an account, assisting a business, or guiding a family through their financial journey – is delivered with professionalism and care.

I am immensely proud of the way our staff have supported each other, embraced learning, and continued to grow as a strong, customer-focused team. This collaborative approach ensures we remain responsive, approachable, and committed to delivering banking with a human touch.

I would like to thank my amazing team for all their dedication and hard work the past 12 months that contributed to the same vision:

- · Holly Sharp Branch Operations Manager
- Cassy Howard Business Development Manager
- Jacie Williams Customer Relationship Officer
- · Bonnie Regan Customer Relationship Officer
- · Jade Lundie Customer Relationship Officer
- · Joy Elliot Customer Service Officer
- Marie Del Rosario Customer Service Officer

I would also like to acknowledge, Deb Hancock who celebrated reaching the milestone of retirement after 25 years of dedicated service.

Supporting Our Community

Our purpose goes well beyond banking. This year, we continued to back grassroots projects and local initiatives that strengthen our region – from supporting

junior sport to backing community events and volunteer groups. These partnerships reflect the values at the heart of our model: reinvesting profits locally to make a meaningful difference.

The pride we feel in seeing our contributions support real outcomes – whether it's upgraded local facilities, programs for young people, or grassroots clubs thriving – is immense. This is the essence of what makes us a community bank.

Growing Our Business

While community remains at our core, we also remain focused on growing our book and deepening customer relationships. We have worked hard to maintain strong connections with our loyal customers while also attracting new ones who share our belief in local banking.

In an increasingly competitive environment, we know that people choose us not only for our financial services, but also for the knowledge that their banking directly supports the Busselton and Dunsborough communities. This unique point of difference will remain central as we continue to grow.

Looking Ahead

As we move forward, our focus will remain on developing our people, supporting our community, and growing sustainably. By keeping customers at the centre of all we do, and continuing to back local initiatives, we will ensure Community Bank Busselton and Dunsborough remains a trusted partner for both banking and community impact for many years to come.

I would like to thank our staff, customers, and community for their ongoing support. Together, we are building something truly special.

OME.

Kelly Stone Branch Manager Community Bank Busselton and Dunsborough

Bendigo and Adelaide Bank report

For year ending 30 June 2025

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

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

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

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

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

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

Justine Minne
Head of Community Banking, Bendigo Bank

Community Bank National Council report

For year ending 30 June 2025



A warm welcome to our existing and new shareholders. Thank you for your support and for sharing in our purpose.

We're immensely proud of our Community Bank network which was a first mover in Australia in 1998 through our unique social enterprise model.

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

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

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

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

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

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

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

We also recognise the time is now to consider our model and how we combine the value of local presence with new digital capabilities that expand rather than diminish our community impact. This work forms part of the Model Evolution process which will be co-designed with Bendigo Bank and implemented over the next 12 months. Building further on our enhanced digital presence, community roots and measurable impact, we've reached another major milestone. We now have 41 Community Bank companies formerly certified as social enterprises through Social Traders. It's a powerful endorsement of our commitment to delivering both commercial and social outcomes.

This recognition through Social Traders opens new opportunities for our network. It's paved the way for new partnerships with other enterprises in the sector that share our values and mission to build a better, stronger Australia.

Our increased engagement with the broader social enterprise sector has not only enabled us to diversify our partnerships; we've also deepened our impact. Over \$416 million and counting – that's how much has been reinvested back into local communities.

As we look to the future, we remain committed to the founding principles of the Community Bank model. Community is at the centre of everything we do, and our purpose remains clear: to create meaningful, lasting value for the communities we serve.

Community Bank National Council

Community contributions

Yallingup Wellness Expo

Now in its second year of support, Community Bank Busselton & Dunsborough is proud to back the Yallingup Wellness Expo — the South West's premier celebration of mind, body and spirit. The Expo brings together local practitioners, businesses, and community members to explore wellness through workshops, talks, and a vibrant market village. With 100% of net proceeds going to local charities, our continued support helps ensure the event not only inspires healthier lifestyles, but also gives back directly to those in need within our community.



Dunsborough Toy Library

Play is at the heart of every child's learning journey — and the Dunsborough Toy Library helps make that possible for families across our community. With support from Community Bank Busselton & Dunsborough, the Toy Library was



able to upgrade its collection and improve accessibility for local families. From puzzles and games to educational toys and outdoor play equipment, the refreshed library ensures children of all ages can learn, share, and grow through play — without the cost or waste of buying new toys.



Inspire + Collaborate

As a founding partner of Inspire +
Collaborate, Community Bank Busselton &
Dunsborough is proud to support a locally
driven initiative that empowers women
in business across the region. Through
networking events, workshops, and inspiring
speaker sessions, Inspire + Collaborate
provides opportunities for local women to
connect, learn and grow — both personally
and professionally. By backing this initiative
from the very beginning, we're helping
create a stronger, more connected business
community in the South West.

Geographe Bay Wildlife Rescue

When summer bushfires tore through bushland on the edge of Dunsborough, local wildlife was left vulnerable and without shelter. Community Bank Busselton & Dunsborough stepped

in with emergency funding to support Geographe Bay Wildlife Rescue, helping cover the costs of vital supplies and care. Our staff and directors also rolled up their sleeves, volunteering time to hand-make dreys (nesting boxes) that were installed in the burntout bushland — providing safe havens for displaced possums and other native animals.





Directors' report

30 June 2025

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2025.

Directors

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name: Joshua Jonathon Hardy Title: Non-executive director

Experience and expertise: Joshua is currently the Operations Manager for a mining technology company and a

Business Advisor. Joshua has held leadership roles such as General Manager, Business Advisory Consultant, and Chairman of the Board, demonstrating his commitment to operational excellence and strategic leadership. Joshua's strengths lie in organisational leadership, strategic planning, project management, financial management, human resources, and business improvement. Joshua has a strong track record in change management, Strategic Thinking, and conflict management, with a focus on enhancing operational efficiencies and profitability through innovative approaches. Joshua is skilled in decision-making, communication, and fostering

environments that promote respect and collective success.

Special responsibilities: Chair, Governance and Strategy

Name: Warwick William Howard Title: Non-executive director

Experience and expertise: The owner of a large food manufacturing business located in the Margaret River

region. Previous experience includes the General Manager of a diverse state-wide WA business specialising in Labour Management, Accommodation and Commercial Maintenance for 7 years, and Senior Manager at BDO Chartered Accountants for 9

years

Special responsibilities: Vice Chair, Community Impact & Partnerships

Name: David Markovich
Title: Non-executive director

Experience and expertise: David has practiced law in Western Australia and England, in private practice and in-

house. David works with Hale Legal and previously Lane Buck & Higgins in Busselton, Margaret River and Perth. David engages in litigation and commercial matters including employment, construction, business, criminal, property, insolvency, consumer law and occupational health and safety. David previously worked as a

senior research economist in State and Federal governments.

Special responsibilities: Premises, Contracts & Operational Assets

Name: Josephine Charlotte Harrison-Ward

Title: Non-executive director

Experience and expertise: Over 25 years' experience in the WA public sector including 15 at executive levels

including CEO of a large organisation reporting to a board. More than 10 years' experience as a Management Consultant advising and supporting public sector and not for profit organisations and boards on board governance, functional and structural review, strategic planning and risk management. Significant board experience over

three decades. Currently Chair, Geo Bay Wildlife Rescue Inc.

Special responsibilities: Company Secretary, People and Culture

Name: Hollie Laura Whitfield

Title: Non-executive director (appointed 29 July 2024)

Experience and expertise: Hollie is currently the CFO for a Boutique Fitness Franchising Business based in

Perth. She has over 18 years experience in Finance and Accounting related roles, with her previous 14 years being with a consulting engineering business. Her qualifications include a Bachelor of Commerce and Business Law Minor and she is a qualified CPA.

Special responsibilities: Treasurer

Directors' report (continued)

Name: Kelly-Ann Bunney

Title: Non-executive director (appointed 6 September 2024)

Experience and expertise: Kelly is a Marketing Professional with over 20 years' experience across Professional

Services, Financial Services, Craft Beer & Hospitality Industry. She is the Director of Marketing Bunney Consulting, working with small to medium businesses to plug their marketing gaps with strategy, structure, and hands-on support. Her strengths lie in brand strategy, content, and implementation—bringing both big-picture thinking and

day-to-day execution.

Special responsibilities: Marketing, Brand and Communications

Company secretary

The Company secretary is Josephine Charlotte Harrison-Ward. Josephine was appointed to the position of Company secretary on 9 April 2024.

Principal activity

The principal activity of the company during the financial year was facilitating Community Bank services under management rights of Bendigo and Adelaide Bank Limited (Bendigo Bank).

There have been no significant changes in the nature of this activity during the financial year.

Review of operations

The profit for the company after providing for income tax amounted to \$306,774 (2024: \$170,590).

Operations have continued to perform in line with expectations.

Dividends

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

Unfranked dividend of 4 cents per share (2024: 3 cents)

Significant changes in the state of affairs

There were no other significant changes in the state of affairs of the company during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments

No matter, circumstance or likely development in operations has arisen during or since the end of the financial year that has significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Directors' report (continued)

Meetings of directors

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

	Board	
	Eligible	Attended
Joshua Jonathon Hardy	10	9
Warwick William Howard	10	9
David Markovich	10	9
Josephine Charlotte Harrison-Ward	10	10
Hollie Laura Whitfield	9	9
Kelly-Ann Bunney	9	9

Directors' benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest except as disclosed in note 22 to the financial statements.

Directors' interests

The interest in company shareholdings for each director are:

	Balance at the start of the year	Changes	Balance at the end of the year
Joshua Jonathon Hardy Warwick William Howard	2,000 3,000	-	2,000 3,000
David Markovich	<u>-</u>	-	-
Josephine Charlotte Harrison-Ward	-	-	-
Hollie Laura Whitfield	-	-	-
Kelly-Ann Bunney	-	-	-

Shares under option

There were no unissued ordinary shares of the company under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of the company issued on the exercise of options during the year ended 30 June 2025 and up to the date of this report.

Indemnity and insurance of directors and officers

The company has indemnified all directors and management in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or management of the company except where the liability arises out of conduct involving the lack of good faith.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the *Corporations Act 2001*.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

Directors' report (continued)

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Non-audit services

The company may decide to employ the auditor on assignments additional to their statutory duties where the auditor's expertise and experience with the company are important. Details of the amounts paid or payable to the auditor (Andrew Frewin Stewart) for audit and non-audit services provided during the year are set out in note 23 to the accounts.

The board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of the non-audit services is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the board to ensure they do not impact on the impartiality, integrity and
 objectivity of the auditor
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in
 APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own
 work, acting in a management or decision making capacity for the company, acting as an advocate for the company or
 jointly sharing risks and rewards.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

tember 2025

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Auditor's independence declaration



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

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Geographe Bay Community Enterprises Limited

As lead auditor for the audit of Geographe Bay Community Enterprises Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

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

Andrew Frewin Stewart

61 Bull Street, Bendigo, Vic, 3550

Dated: 30 September 2025

Financial statements

Geographe Bay Community Enterprises Limited Statement of profit or loss and other comprehensive income For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue from contracts with customers	6	1,693,111	1,559,760
Other revenue Finance revenue		53,339 7,925	-
Total revenue		1,754,375	1,559,760
Employee benefits expense Charitable donations, sponsorship, advertising and promotion Occupancy and associated costs System costs	7	(902,136) (42,881) (38,805) (42,125)	(894,544) (35,005) (30,932) (40,512)
Depreciation and amortisation expense Finance costs General administration expenses Total expenses	7	(109,155) (6,537) (201,918) (1,343,557)	(146,916) (8,902) (177,608) (1,334,419)
Profit before income tax expense		410,818	225,341
Income tax expense	8	(104,044)	(54,751)
Profit after income tax expense for the year		306,774	170,590
Other comprehensive income for the year, net of tax			
Total comprehensive income for the year		306,774	170,590
		Cents	Cents
Basic earnings per share Diluted earnings per share	25 25	16.27 16.27	9.05 9.05

Geographe Bay Community Enterprises Limited Statement of financial position As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets Cash and cash equivalents Trade and other receivables Investments Total current assets	9 10 11	293,320 152,340 203,918 649,578	297,484 159,626 - 457,110
Non-current assets Property, plant and equipment Right-of-use assets Intangible assets Deferred tax assets Total non-current assets	12 13 14 8	96,277 81,377 32,817 258,733 469,204	42,866 152,376 59,071 362,777 617,090
Total assets		1,118,782	1,074,200
Liabilities			
Current liabilities Trade and other payables Borrowings Lease liabilities Employee benefits Total current liabilities	15 16	125,548 - 67,667 10,772 203,987	167,715 1,113 88,501 38,183 295,512
Non-current liabilities Trade and other payables Lease liabilities Employee benefits Provisions Total non-current liabilities	15 16	21,136 8,780 10,962 40,878	30,654 84,912 9,968 10,587 136,121
Total liabilities		244,865	431,633
Net assets	:	873,917	642,567
Equity Issued capital Accumulated losses	17	1,837,157 (963,240)	1,837,157 (1,194,590)
Total equity	:	873,917	642,567

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

Financial statements (continued)

Geographe Bay Community Enterprises Limited Statement of changes in equity For the year ended 30 June 2025

	Note	Issued capital \$	Accumulated losses	Total equity \$
Balance at 1 July 2023	-	1,837,157	(1,308,612)	528,545
Profit after income tax benefit Other comprehensive income, net of tax Total comprehensive income	-	- -	170,590	170,590 - 170,590
Transactions with owners in their capacity as owners: Dividends provided for or paid	19	-	(56,568)	(56,568)
Balance at 30 June 2024	=	1,837,157	(1,194,590)	642,567
Balance at 1 July 2024	-	1,837,157	(1,194,590)	642,567
Profit after income tax expense Other comprehensive income, net of tax		-	306,774	306,774
Total comprehensive income	-	-	306,774	306,774
Transactions with owners in their capacity as owners: Dividends provided for or paid	19		(75,424)	(75,424)
Balance at 30 June 2025	=	1,837,157	(963,240)	873,917

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

Financial statements (continued)

Geographe Bay Community Enterprises Limited Statement of cash flows For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities Receipts from customers (inclusive of GST) Payments to suppliers and employees (inclusive of GST) Interest and other finance costs paid		1,876,712 (1,465,780) (1,330)	1,711,159 (1,228,488) (953)
Net cash provided by operating activities	24	409,602	481,718
Cash flows from investing activities Payments for investments Payments for property, plant and equipment Payments for intangible assets Proceeds from disposal of property, plant and equipment		(200,000) (36,864) (27,867) 27,273	(281) (27,867)
Net cash used in investing activities		(237,458)	(28,148)
Cash flows from financing activities Interest and other finance costs paid Dividends paid Repayment of lease liabilities	19	(4,833) (85,164) (86,311)	(7,587) (44,820) (89,930)
Net cash used in financing activities		(176,308)	(142,337)
Net increase/(decrease) in cash and cash equivalents Cash and cash equivalents at the beginning of the financial year		(4,164) 297,484	311,233 (13,749)
Cash and cash equivalents at the end of the financial year	9	293,320	297,484

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

Notes to the financial statements

30 June 2025

Note 1. Reporting entity

The financial statements cover Geographe Bay Community Enterprises Limited (the company) as an individual entity, which is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is 50-54 Queen Street, Busselton WA 6280.

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

Note 2. Basis of preparation and statement of compliance

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

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2025. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

The accounting policies that are material to the company are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Adoption of new and revised accounting standards

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The company has assessed and concluded there are no material impacts.

Accounting standards issued but not yet effective

Australian Accounting Standards and Interpretations that have been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2025. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Investments

Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

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

Note 3. Material accounting policy information (continued)

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

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

Impairment of non-financial assets

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

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

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

Note 4. Critical accounting judgements, estimates and assumptions

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

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

Judgements

Timing of revenue recognition associated with trail commission

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

Allowance for expected credit losses on trade and other receivables

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

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

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

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

Impairment of non-financial assets

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

Application of common law 'profits test'

In preparing these financial statements, the directors have exercised judgement in relation to the declaration of dividends while the company is in an accumulated losses position. The directors are of the view that the common law 'profits' test does not apply following amendments to section 254T of the *Corporations Act 2001*. On this basis, dividends have been assessed against the requirements of the *Corporations Act 2001* and the company's franchise agreement only.

Recovery of deferred tax assets

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

Lease term

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

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

The company includes extension options applicable to the lease of branch premises in its calculations of both the right-ofuse asset and lease liability except where the company is reasonably certain it will not exercise the extension option. This is due to the significant disruption of relocating premises and the loss on disposal of leasehold improvements fitted out in the leased premises.

Estimates and assumptions

Estimation of useful lives of assets

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

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

Incremental borrowing rate

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

Note 5. Economic dependency

The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in November 2026.

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank.

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.

Note 6. Revenue from contracts with customers

	\$	\$
Margin income	1,541,980	1,411,096
Fee income	75,516	67,311
Commission income	75,615	81,353
	1,693,111	1,559,760

Accounting policy for revenue from contracts with customers

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

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

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

2025

2024

Note 6. Revenue from contracts with customers (continued)

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

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

Revenue calculation

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

Margin income

Margin income on core banking products is arrived at through the following calculation:

Interest paid by customers on loans less interest paid to customers on deposits plus: any deposit returns i.e. interest return applied by Bendigo Bank for a deposit minus: any costs of funds i.e. interest applied by Bendigo Bank to fund a loan.

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

Commission income

Commission income is generated from the sale of products and services. This commission is recognised at a point in time which reflects when the company has fulfilled its performance obligation. Refer to note 4 for further information regarding key judgements applied by the directors in relation to the timing of revenue recognition from trail commission.

Fee income

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

Core banking products

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

Ability to change financial return

Under the franchise agreement, Bendigo Bank may change the form and amount of financial return the company receives. The reasons it may make a change include changes in industry or economic conditions or changes in the way Bendigo Bank earns revenue.

The change may be to the method of calculation of margin, the amount of margin, commission and fee income or a change of a margin to a commission or vice versa. This may affect the amount of revenue the company receives on a particular product or service.

Bendigo Bank must not reduce the margin and commission the company receives on core banking products and services to less than 50% (on an aggregate basis) of Bendigo Bank's margin at that time. For other products and services, there is no restriction on the change Bendigo Bank may make.

Note 7. Expenses

Employee benefits expense		
	2025 \$	2024 \$
Wages and salaries	710,244	764,545
Superannuation contributions	83,391	77,565
Expenses related to long service leave	(1,023)	3,537
Other expenses	109,524	48,897
	902,136	894,544
Depreciation and amortisation expense		
	2025	2024
	\$	\$
Depreciation of non-current assets		
Leasehold improvements	6,126	27,411
Plant and equipment	3,287	2,015
Motor vehicles	788	16
	10,201	29,442
Depreciation of right-of-use assets		
Leased land and buildings	61,545	56,819
Leased motor vehicles	11,155	32,267
	72,700	89,086
Amortisation of intangible assets		
Franchise fee	4,376	4,686
Franchise renewal fee	21,878	23,702
	26,254	28,388
	109,155	146,916

Note 8. Income tax

	2025 \$	2024 \$
Income tax expense Movement in deferred tax Under/over adjustment	12,130	(7,617) (2,502)
Recoupment of prior year tax losses	91,914	64,870
Aggregate income tax expense	104,044	54,751
Prima facie income tax reconciliation Profit before income tax expense	410,818	225,341
Tax at the statutory tax rate of 25%	102,705	56,335
Tax effect of: Non-deductible expenses	1,339	918
Under/over adjustment	104,044	57,253 (2,502)
Income tax expense	104,044	54,751
	2025 \$	2024 \$
Deferred tax assets/(liabilities) Property, plant and equipment	(697)	-
Employee benefits Provision for lease make good	5,611 2,740	12,733 2,647
Carried-forward tax losses	250,224 (1,002)	342,138
Lease liabilities Right-of-use assets	22,201 (20,344)	43,353 (38,094)
Deferred tax asset	258,733	362,777

Accounting policy for income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Accounting policy for deferred tax

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Note 9. Cash and cash equivalents

	2025 \$	2024 \$
Cash at bank and on hand	293,320	297,484

Note 10. Trade and other receivables

	2025 \$	2024 \$
Trade receivables	128,782	139,021
Accrued income Prepayments Rental bond	4,007 15,691 3,860 23,558	210 20,395 - 20,605
	152,340	159,626

Accounting policy for trade and other receivables

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

Note 11. Investments

	2025 \$	2024 \$
Current assets Term deposits	203,918	
Note 12. Property, plant and equipment		
	2025 \$	2024 \$
Leasehold improvements - at cost	286,817	284,464
Less: Accumulated depreciation	(251,204) 35,613	(245,078) 39,386
Plant and equipment - at cost	35,084	29,237
Less: Accumulated depreciation	(28,250) _ 6,834 _	(25,757) 3,480
Motor vehicles - at cost Less: Accumulated depreciation	54,655 (825) 53,830	41,820 (41,820)
	96,277	42,866

Note 12. Property, plant and equipment (continued)

Reconciliations of the values at the beginning and end of the current and previous financial year are set out below:

	Leasehold improvements	Plant and equipment	Motor vehicles \$	Total \$
Balance at 1 July 2023 Additions Depreciation	66,797 - (27,411)	5,214 281 (2,015)	16 - (16)	72,027 281 (29,442)
Balance at 30 June 2024 Additions Disposals Transfers in/(out) Depreciation	39,386 2,353 - (6,126)	3,480 6,641 - (3,287)	33,947 (211) 20,882 (788)	42,866 42,941 (211) 20,882 (10,201)
Balance at 30 June 2025	35,613	6,834	53,830	96,277

Accounting policy for property, plant and equipment

Property, plant and equipment are measured at cost or fair value as applicable, less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Leasehold improvements1 to 8 yearsPlant and equipment2.5 to 5 yearsMotor vehicles5 to 8 years

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

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 13. Right-of-use assets

	2025 \$	2024 \$
Land and buildings - right-of-use Less: Accumulated depreciation	443,081 (361,704) 81,377	441,380 (300,159) 141,221
Motor vehicles - right-of-use Less: Accumulated depreciation		44,620 (33,465) 11,155
	81,377	152,376

Note 13. Right-of-use assets (continued)

Reconciliations of the values at the beginning and end of the current and previous financial year are set out below:

	Land and buildings \$	Motor vehicle \$	Total \$
Balance at 1 July 2023	181,435	29,541	210,976
Remeasurement adjustments	16,605	13,881	30,486
Depreciation expense	(56,819)	(32,267)	(89,086)
Balance at 30 June 2024 Remeasurement adjustments Transfers in/(out) Depreciation expense	141,221	11,155	152,376
	1,701	20,882	22,583
	-	(20,882)	(20,882)
	(61,545)	(11,155)	(72,700)
Balance at 30 June 2025	81,377		81,377

Accounting policy for right-of-use assets

Right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability adjusted for costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset. Right-of-use assets are subject to impairment and are adjusted for any remeasurement of lease liabilities.

Refer to note 16 for more information on lease arrangements.

Note 14. Intangible assets

	2025 \$	2024 \$
Franchise fee Less: Accumulated amortisation	62,997 (57,528)	62,997 (53,152)
Franchise renewal fee		9,845
Less: Accumulated amortisation	(193,966) 27,348	(172,088) 49,226
	32,817	59,071

Reconciliations of the values at the beginning and end of the current and previous financial year are set out below:

	Franchise fee \$	Franchise renewal fee \$	Total \$
Balance at 1 July 2023	14,531	72,928	87,459
Amortisation expense	(4,686)	(23,702)	(28,388)
Balance at 30 June 2024	9,845	49,226	59,071
Amortisation expense	(4,376)	(21,878)	(26,254)
Balance at 30 June 2025	5,469	27,348	32,817

Note 14. Intangible assets (continued)

Accounting policy for intangible assets

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

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

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

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

Asset classMethodUseful lifeExpiry/renewal dateFranchise feeStraight-lineOver the franchise term (5 years)November 2026Franchise renewal feeStraight-lineOver the franchise term (5 years)November 2026

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

Note 15. Trade and other payables

	2025 \$	2024 \$
Current liabilities Trade payables Other payables and accruals	32,587 92,961	6,950 160,765
	125,548	167,715
Non-current liabilities Other payables and accruals		30,654
	2025 \$	2024 \$
Financial liabilities at amortised cost classified as trade and other payables Total trade and other payables less other payables and accruals (net GST payable to the ATO)	125,548 (33,332)	198,369 (45,471)
	92,216	152,898
Note 16. Lease liabilities		
	2025 \$	2024 \$
Current liabilities Land and buildings lease liabilities Motor vehicle lease liabilities	67,667	61,395 27,106
	67,667	88,501
Non-current liabilities Land and buildings lease liabilities	21,136	84,912

Note 16. Lease liabilities (continued)

Reconciliation of lease liabilities

	2025 \$	2024 \$
Opening balance	173,413	233,556
Remeasurement adjustments	1,701	29,787
Lease interest expense	4,833	7,587
Lease payments - total cash outflow	(91,144)	(97,517)
	88,803	173,413

<u>Lease</u>	Discount rate	Non-cancellable term	Renewal options available	Reasonably certain to exercise options	Lease term end date used in calculations
Busselton Branch Dunsborough Branch Motor Vehicle (2021 Mitsubishi Triton)	3.54% 3.50% 4.35%	5 years 5 years 3 years	1 x 5 years N/A N/A	No N/A N/A	June 2026 May 2028 March 2025

Accounting policy for lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially measured at the present value of the lease payments to be made over the term of the lease, including renewal options if the company is reasonably certain to exercise such options, discounted using the company's incremental borrowing rate.

The company has applied the following accounting policy choices in relation to lease liabilities:

- The company has elected not to separate lease and non-lease components when calculating the lease liability for property leases.
- The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases and low-value assets, which include the company's lease of information technology equipment. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Note 17. Issued capital

	2025 Shares	2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid Preference shares - fully paid Less: Equity raising costs	1,585,609 300,000	1,585,609 300,000	1,585,609 300,000 (48,452)	1,585,609 300,000 (48,452)
	1,885,609	1,885,609	1,837,157	1,837,157

Accounting policy for issued capital

Ordinary shares are recognised at the fair value of the consideration received by the company being \$1 per share. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

Rights attached to issued capital

Ordinary shares

Voting rights

Subject to some limited exceptions, each member has the right to vote at a general meeting.

Note 17. Issued capital (continued)

On a show of hands or a poll, each member attending the meeting (whether they are attending the meeting in person or by attorney, corporate representative or proxy) has one vote, regardless of the number of shares held. However, where a person attends a meeting in person and is entitled to vote in more than one capacity (for example, the person is a member and has also been appointed as proxy for another member) that person may only exercise one vote on a show of hands. On a poll, that person may exercise one vote as a member and one vote for each other member that person represents as duly appointed attorney, corporate representative or proxy.

The purpose of giving each member only one vote, regardless of the number of shares held, is to reflect the nature of the company as a community based company, by providing that all members of the community who have contributed to the establishment and ongoing operation of the Community Bank branch have the same ability to influence the operation of the company.

Dividends

Generally, dividends are payable to members in proportion to the amount of the share capital paid up on the shares held by them, subject to any special rights and restrictions for the time being attaching to shares. The franchise agreement with Bendigo Bank contains a limit on the level of profits or funds that may be distributed to shareholders. There is also a restriction on the payment of dividends to certain shareholders if they have a prohibited shareholding interest (see below).

Transfer

Generally, ordinary shares are freely transferable. However, the directors have a discretion to refuse to register a transfer of shares.

Subject to the foregoing, shareholders may transfer shares by a proper transfer effected in accordance with the company's constitution and the *Corporations Act 2001*.

Preference shares

Voting rights

A preference share does not entitle the holder to vote on any resolutions proposed at a general meeting of the holders of ordinary shares in the capital of the company except in the following circumstances:

- (i) if at the time of the commencement of the meeting a dividend, or part of a dividend, on the preference shares is in arrears:
- (ii) on a proposal to reduce the company's share capital;
- (iii) on a resolution to approve the terms of a buy-back agreement;
- (iv) on a proposal that affects rights attaching to a preference share;
- (v) on a proposal to wind up the company;
- (vi) on a proposal for the disposal of the whole of the company's property, business and undertaking; or
- (vii) during the winding up of a company.

In respect to the 10% limit, the company constitution was amended following the successful completion of the debt for equity swap. The amendment states a person other than Bendigo & Adelaide Bank Limited must not have a prohibited shareholding interest. Bendigo & Adelaide Bank Limited own the 300,000 preference shares.

A preference share does entitle the holder to vote on any resolutions proposed at a meeting of preference shareholders only on the basis of one vote per preference share.

Dividends

A preference share has full dividend rights, identical to those of ordinary shares, and except on a winding up of the company such dividend rights will not be in priority to but will be equal to the rights of holders of ordinary shares.

Transfer

Preference shares are non-transferrable or saleable except with the prior written approval of the board and the holder must not sell or transfer interest in, or grants options over, the preference shares except with the prior written approval of the directors.

Note 17. Issued capital (continued)

Rights on winding up

Upon winding up of the company, each preference share confers upon its holder the right to payment in cash, from any surplus assets or profits of the company, of the capital then paid up on that preference share, and any dividends or income due to it in connection with that preference share in priority to any other class of shares in the company, but otherwise has no right to participate in the surplus profits or assets of the company.

Prohibited shareholding interest

A person must not have a prohibited shareholding interest in the company.

In summary, a person has a prohibited shareholding interest if any of the following applies:

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").
- Where the person is a shareholder, after the transfer of shares in the company to that person the number of shareholders in the company is (or would be) lower than the base number (the "base number test"). The base number is 303. As at the date of this report, the company had 336 shareholders (2024: 336 shareholders).

As with voting rights, the purpose of this prohibited shareholding provision is to reflect the community-based nature of the company.

Where a person has a prohibited shareholding interest, the voting and dividend rights attaching to the shares in which the person (and their associates) has a prohibited shareholding interest in are suspended.

The board has the power to request information from a person who has (or is suspected by the board of having) a legal or beneficial interest in any shares in the company or any voting power in the company, for the purpose of determining whether a person has a prohibited shareholding interest. If the board becomes aware that a member has a prohibited shareholding interest, it must serve a notice requiring the member (or the member's associate) to dispose of the number of shares the board considers necessary to remedy the breach. If a person fails to comply with such a notice within a specified period (that must be between three and six months), the board is authorised to sell the specified shares on behalf of that person. The holder will be entitled to the consideration from the sale of the shares, less any expenses incurred by the board in selling or otherwise dealing with those shares.

In the constitution, members acknowledge and recognise that the exercise of the powers given to the board may cause considerable disadvantage to individual members, but that such a result may be necessary to enforce the prohibition.

Note 18. Capital management

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

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

The distribution limit is the greater of:

- 20% of the profit or funds of the company otherwise available for distribution to shareholders in that 12 month period;
 and
- subject to the availability of distributable profits, the relevant rate of return multiplied by the average level of share capital
 of the company over that 12 month period where the relevant rate of return is equal to the weighted average interest rate
 on 90 day bank bills over that 12 month period plus 5%.

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

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

Note 19. Dividends

Dividends provided for and paid during the period

The following dividends were provided for and paid to shareholders during the financial year as presented in the Statement of changes in equity and Statement of cash flows.

	2025 \$	2024 \$
Unfranked dividend of 4 cents per share (2024: 3 cents)	75,424	56,568

Unfranked dividends of \$2,008 were still owing at 30 June 2025 (2024: \$11,748).

Accounting policy for dividends

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

Note 20. Financial risk management

The company's financial instruments include trade receivables and payables, cash and cash equivalents, investments and lease liabilities. The company does not have any derivatives.

The directors are responsible for monitoring and managing the financial risk exposure of the company, to which end it monitors the financial risk management policies and exposures and approves financial transactions within the scope of its authority.

The directors have identified that the only significant financial risk exposures of the company are liquidity and market (price) risk. Other financial risks are not significant to the company due to the following factors:

- The company has no foreign exchange risk as all of its account balances and transactions are in Australian Dollars.
- The company's franchise agreement limits the company's credit exposure to one financial institution, being Bendigo Bank. The company monitors credit worthiness through review of credit ratings, Bendigo Bank is rated A- on Standard & Poor's credit ratings.
- The company has no direct exposure to movements in commodity prices.
- The company's interest-bearing instruments are held at amortised cost which have fair values that approximate their carrying value since all cash and payables have maturity dates within 12 months.
- The company has minimal borrowings.

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

	2025 \$	2024 \$
Financial assets at amortised cost		
Trade and other receivables (note 10)	132,789	139,231
Cash and cash equivalents (note 9)	293,320	297,484
Investments (note 11)	203,918	
	630,027	436,715
Financial liabilities		
Trade and other payables (note 15)	92,216	152,898
Lease liabilities (note 16)	88,803	173,413
	181,019	326,311

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

Accounting policy for financial instruments

Financial assets

Classification

The company classifies its financial assets at amortised cost.

Financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial asset.

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

Note 20. Financial risk management (continued)

Derecognition

A financial asset is derecognised when the company's contractual right to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

Impairment of trade and other receivables

Impairment of trade receivables is determined using the simplified approach which uses an estimation of lifetime expected credit losses. The company has not recognised an allowance for expected credit losses in relation to trade and other receivables. Refer to note 4 for further information.

Financial liabilities

Classification

The company classifies its financial liabilities at amortised cost.

Derecognition

A financial liability is derecognised when it is extinguished, cancelled or expires.

Market risk

Market risk is the risk that changes in market prices - e.g. foreign exchange rates, interest rates, and equity prices - will affect the company's income or the value of its holdings in financial instruments.

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest. Interest-rate risk could also arise from long-term borrowings. The company held cash and cash equivalents of \$293,320 and investments of \$203,918 at 30 June 2025 (2024: 297,484 and nil).

Price risk

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

Liquidity risk

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

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

2025	1 year or less \$	Between 1 and 5 years \$	Over 5 years	Remaining contractual maturities \$
Trade and other payables	92,216	-	_	92,216
Lease liabilities	68,753	22,575	-	91,328
Total non-derivatives	160,969	22,575		183,544
		Between 1		Remaining contractual
2024	1 year or less \$	and 5 years \$	Over 5 years \$	maturities \$

Note 21. Key management personnel disclosures

The following persons were directors of Geographe Bay Community Enterprises Limited during the financial year and/or up to the date of signing of these Financial Statements.

Joshua Jonathon Hardy Warwick William Howard Hollie Laura Whitfield David Markovich Josephine Charlotte Harrison-Ward Kelly-Ann Bunney

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

Compensation

Key management personnel compensation comprised the following.

	2025 \$	2024 \$
Short-term employee benefits Post-employment benefits	69,200 7,958	34,300 3,773
	77,158_	38,073

Note 22. Related party transactions

Key management personnel

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

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Terms and conditions of transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties

The following transactions occurred with related parties:

	2025 \$	2024 \$	
The company made donations, grants and marketing payments to local community groups and entities where directors or their close family members are on the committee or part of			
management.	15,710	-	
The company purchased a vehicle from a director	33,000	-	

During the reporting period, a motor vehicle was provided to a close family member of a director, who is employed by the entity. The vehicle was made available for both business and limited personal use, consistent with ordinary employee entitlements.

Note 23. Remuneration of auditors

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

	2025 \$	2024 \$
Audit services Audit or review of the financial statements	9,630	8,420
Other services Taxation advice and tax compliance services General advisory services	265 9,900	700 3,770
	10,165	4,470
	19,795	12,890

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

	2025 \$	2024 \$
Profit after income tax expense for the year	306,774	170,590
Adjustments for: Depreciation and amortisation Net gain on disposal of non-current assets Other revenue - non-cash Other expenses - non-cash Lease liabilities interest	109,155 (27,273) (20,882) (5,866) 4,833	146,916 - - - - 7,587
Change in operating assets and liabilities: Decrease/(increase) in trade and other receivables Decrease in deferred tax assets Increase/(decrease) in trade and other payables Increase/(decrease) in employee benefits Increase in other provisions	13,108 104,044 (46,067) (28,599) 375	(6,016) 54,751 78,350 29,178 362
Net cash provided by operating activities	409,602	481,718
Note 25. Earnings per share	2025	2024
	2025 \$	2024 \$
Profit after income tax	306,774	170,590
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	1,885,609	1,885,609
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,885,609	1,885,609
	Cents	Cents
Basic earnings per share Diluted earnings per share	16.27 16.27	9.05 9.05

Note 26. Commitments

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

Note 27. Contingencies

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

Note 28. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Directors' declaration

30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

tember 2025

Independent audit report



Andrew Frewin Stewart 61 Bull Street Bendigo VIC 3550 ABN: 65 684 604 390 afs@afsbendigo.com.au 03 6443 0344

Independent auditor's report to the Directors of Geographe Bay Community Enterprises Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Geographe Bay Community Enterprises Limited, is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the company's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards and the Corporations Regulations 2001.

What we have audited

We have audited the financial report of Geographe Bay Community Enterprises Limited (the company), which comprises the:

- Statement of financial position as at 30 June 2025
- Statement of profit or loss and other comprehensive income
- Statement of changes in equity
- Statement of cash flows
- Notes to the financial statements, including material accounting policies, and the
- Directors' declaration.

Basis for opinion

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Liability limited by a scheme approved under Professional Standards Legislation.



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

Independence

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

Andrew Frewin Stewart

61 Bull Street, Bendigo, Vic, 3550

Dated: 30 September 2025

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