Annual Report 2026







Grampians Regional Community Enterprises Limited

Community Bank
Dunkeld & District

ABN 29 139 414 234

Annual Reports

Chairman’s report	2
Manager’s report	3
BEN Message	4
CBNC Message	5
Community Investment Report	7
Directors’ Report	8
Auditor’s independence declaration	13
Financial statements	14
Notes to the Financial Statements	18
Directors’ declaration	37
Independent audit report	38

Chairman’s Report

For year ending 30 June 2026

The Community Bank Dunkeld & District certainly experienced another challenging year as our business like many others is working hard to establish its foothold in the competitive and changing market that confronts the banking industry.

Our total business footings of $147.712 million were an increase of $6,000,000 on the 30th of June 2026. The business profit generated for 2025 / 26 was $408,189 before tax in addition to providing $230,000 ($218,500 after GST and Management fees were deducted) to our Community Investment Fund with some of that figure being gifted to charitable bodies, sponsorships and grants totalling $48,271.

Community Bank Dunkeld and District prides itself on employing locals who live and contribute to our communities and again albeit we have had some staff changes we were able to appoint new staff members from our local region.

During the year two staff members Abbey and Chloe both left our Community Bank to pursue their respective career paths. The Board are extremely grateful and thank them for the wonderful contribution they made to our Community Bank.

Excitingly, we were able to appoint our first permanent – part-time Company Secretary. Lex McDowell came with an impeccable background in accounting and business management. Lex commenced his role in July and has relieved our Board member Catherine Loria, from the role. The Board is truly grateful to Catherine for her enormous and diligent commitment she contributed over several years to the role. The Board will continue to have Catherine as a valued Board member.

Also were very lucky to have Fiona come onto our staff as our Customer Services Officer. Fiona brings a wealth of customer relationships and bookkeeping to her role. Our Branch Manager Kirsten in her second year with our Community Bank continues to bring new initiatives and enthusiasm and is very passionate about growing the Community Bank’s business. Our longest serving staff member Louise and Sharon continue to be wonderful assets for our Community Bank.

The Board would like to acknowledge and thank all the staff for their wonderful commitment to our communities and business and the great support you lend to our customers. The Board appreciates and thanks our Regional Manager, Stacey O’Neill for her guidance and support of our Branch.

Community Bank Dunkeld and District is only as strong as its Board. I have been very fortunate to sit alongside and work with an extremely committed and a diverse and talented Board. Their instruction and guidance have made my role as Chairman a pleasure and I thank each Board member sincerely for their continued contribution.

We approach the future with real optimism and look forward to expanding our Agri Business portfolio as the migration of the Rural Bank to Bendigo Bank Agribusiness is in its final stages.

Our Community Bank team is the reason we continue to grow our business, and this flows through to supporting our communities to prosper. So please give our Community Bank team the opportunity to help you ensure your financial future and to be part of the community’s future prosperity.



Jock Travers Melville Whiting
Chairman

Manager’s Report

For year ending 30 June 2026

It is a privilege to present the Branch Manager’s Report for Community Bank Dunkeld & District to our Board of Directors, shareholders, customers, and community partners for the 2025/26 financial year.

The past twelve months have highlighted the enduring strength, loyalty, and resilience of our local community. Operating within a challenging economic environment characterised by cost-of-living pressures and a shifting interest rate landscape, our branch has maintained an unwavering focus on providing personalised, relationship-driven banking while deepening our community footprint.

Despite broader market headwinds and competitive pressure across the retail and agribusiness sectors, our branch achieved strong overall balance sheet growth. Standout performance in deposit acquisition offset a cautious borrowing climate, allowing our total business footings to expand solidly over the year.

Our branch team is the cornerstone of our community reputation and customer experience. Over the past twelve months, our team demonstrated remarkable adaptability, resilience, and professionalism across several operational transitions. In February 2026, we farewelled Chloe, who departed to pursue exciting new personal and professional opportunities in Geelong. In June 2026, Abbey made a positive sideways career transition within the wider Bendigo Bank network, continuing her banking journey. We extend our sincere gratitude to both Chloe and Abbey for their valued contributions, energy, and dedication during their time with the Dunkeld team.

To ensure seamless lending support for local families and businesses, I assumed direct management of the Home Lending portfolio in addition to my Branch Manager duties.

While balancing dual managerial and lending responsibilities presented in an intensive operating period, a productive rhythm and structured workflow are now firmly established. This hands-on structure has enabled faster loan turnarounds and closer engagement with borrowing clients.

Louise, our longest-serving team member, celebrated 10 years of service and her comprehensive industry knowledge, warmth, and dedication to our customers are unmatched. The deep, trusted relationships she has built across Dunkeld, Cavendish, Penshurst, Glenthompson, and surrounding districts over a decade are a cornerstone of our branch’s goodwill and customer retention. The entire branch and Board congratulate Louise on a decade of exceptional service.

Together, the Community Bank Dunkeld & District branch team remains a powerhouse of local knowledge, professional expertise, and passion for our district.

The continued strength of our branch is built upon active partnership and mutual support across our corporate and regional networks.

Thank you to our customers and shareholders for your continued patronage and trust. Choosing to bank locally is a deliberate decision that generates measurable social and financial dividends for our district.

I extend my appreciation to our Chairman and the Board of Directors for their strategic leadership, corporate governance, and unwavering support of branch initiatives.

Sincere thanks to our Regional Manager, Stacey O’Neill, for her ongoing mentorship, leadership, and proactive guidance throughout the financial year. We also acknowledge collaborative support from the state office and central banking teams.

Banking is an essential everyday activity, and The Community Bank model is uniquely impactful and banking with Community Bank Dunkeld & District directly transforms local prosperity. Every loan settled, deposit placed, and everyday transactional account opened strengthens our branch’s balance sheet. This profitability flows directly back into our community in the form of community grants, local club sponsorships, regional infrastructure support, and shareholder dividends.

Your continued advocacy remains our most powerful catalyst for sustainable local growth.



Kirsten Kershaw
Branch Manager

BEN Message

For year ending 30 June 2026

This year marked the first chapter of delivering on Bendigo Bank's 2030 Strategy.

Our purpose remains central to who we are – to feed into the prosperity of our customers and community – and our strategy brings a new focus on areas including innovation, digital ease and setting the benchmark for trust and societal impact.

We are making strong progress with new digital features to enhance the customer experience. Notably, Community Link is allowing customers to join us through ebanking while retaining a connection to their local branch.

In FY26, more than $51.7 million was invested back into local communities, adding to a total of $467 million since 1998. Our Scholarship Program remains one of the largest of its kind in Australia, with an incredible 70 Community Banks participating in 2026, and more than $1.6m in scholarships awarded.

Our model evolution project is now helping to inform a holistic strategic review of the Community Bank model. The review is considering a broad range of factors to strengthen the model for the future, including growth, community impact, revenue share and nonfinancial risk. As an organisation, we remain committed to the Community Bank model and the important role it plays in achieving our 2030 Strategy.

Bendigo Bank has been supporting customers and communities across Australia for more than 160 years and for the past 27 years, the Community Bank model has been a driving force for positive impact.

On behalf of Bendigo Bank, thank you for being a shareholder in your local Community Bank. Your belief and support of our purpose have been instrumental in our success. I look forward to seeing us grow together and continue supporting our communities to prosper.

Warmest regards,



Justine Minne
Head of Community Banking, Bendigo Bank

CBNC Message

Community Bank Network: Embracing Our Guiding Principles

On behalf of the Community Bank network, we acknowledge and thank our shareholders for your continued support. The Community Bank model remains one of the most distinctive in Australian banking, combining commercial strength with genuine community purpose.

Over the past year, the Community Bank National Council (CBNC) has continued its important role as the conduit between Community Bank companies and Bendigo Bank (BEN). As the formally recognised representative body of the network, the CBNC ensures the voice of local directors is heard in national discussions, while keeping Community Bank companies informed on strategic developments that shape our future.

Supporting BEN's 2030 Strategy

The Community Bank model continues to evolve as part of BEN's 2030 strategy, with a focus on longterm strength and sustainability. A jointly led BEN and CBNC Model Evolution project has enabled the CBNC to engage deeply with the network seeking feedback on the challenges and opportunities ahead. The priority being given to this ongoing work reflects the importance of Community Banks to BEN's success and commitment to local communities.

Gathering in our nation's capital

Last September, more than 500 directors representing 142 Community Bank companies from every state and territory came together for the Community Bank National Conference. It was one of the largest gatherings of our network in recent years, and the CBNC played a key role in contributing to the agenda.

The conference created space for open dialogue between directors and BEN executives, while also reinforcing the unique value of the Community Bank model. For many, it was also a timely reminder of the strength of peer connection - the opportunity to share challenges, exchange ideas, and look to the future.

Social enterprise leadership

With an entrenched "profit for purpose" approach, the Community Bank moves beyond traditional banking by helping to sustain local economies. The combined community impact of this approach is significant, with several recent examples evidenced across the network.

The partnership between the Bendigo Bank Community Foundation and the Australian Centre for Rural Entrepreneurship (ACRE) is just one example. It demonstrated what collective action can achieve through the buyback of the Old Beechworth Gaol.

The community asset buyback was supported by $8.6 million in capital, including $2.2 million from BEN and Community Bank companies. It has created a nationally significant example of community ownership in action and provides a tangible example of our social enterprise leadership.

New 'Community Link' feature returns profits to communities

As customer expectations evolve, BEN continues to invest in digital capability while protecting the strength of local connection. A clear example is Community Link, a new feature introduced to the Bank's App during the past year.

The feature allows new customers, who join digitally, to nominate a community or corporate branch as their home branch. Customers can have the satisfaction they're contributing to a community they care about without having to set foot in a branch to do so.

The CBNC have been very supportive of this new feature which powerfully bridges BEN's digital future with its renowned community focus. In many ways, it reinforces BEN's commitment to innovation, while serving its core purpose to feed into the prosperity of the community.

Together, these initiatives demonstrate the enduring strength of the Community Bank model in balancing both commercial success with community impact. As the network continues to evolve, the CBNC remains committed to ensuring the network has a strong voice in shaping the future. We thank shareholders for the ongoing support that makes this unique model possible.

Community Bank National Council

Dividend payment history

Dividend to shareholders			
Financial Year	**Amount Per Share**	**Franking Level**	**Date Paid**
2017/2018	.03	Unfranked	1 December 2018
2018/2019	.04	Unfranked	1 December 2019
2019/2020	.05	Unfranked	1 December 2020
2020/2021	.06	Fully Franked	1 December 2021
2021/2022	.05	Fully Franked	1 December 2022
2022/2023	.05	Fully Franked	1 December 2023
2023/2024	.05	Fully Franked	1 December 2024
2024/2025	.05	Fully Franked	1 December 2025
2025/2026	.05	Fully Franked	1 December 2026

Community Investment Report

For year ending 30 June 2026

Grampians Regional Community Enterprises Ltd (GRCEL) operates the Community Bank Dunkeld & District and is proud to invest in our communities through the Community Investment Program. For year ending 30 June 2026, we proudly contributed $55,336 in grants, sponsorships and donations to increase our total community partnering contributions since opening to over $580,000. In addition, $803,756 was held in our Community Enterprise Foundation Fund account for investment in local infrastructure projects and grants to benefit our community. All made possible by our customers. The customers of the Community Bank Dunkeld & District Branch have supported the following organisations in 2025/2026:

Community Group	**Amount**	**Purpose**
3 Peaks Festival	$1,000.00	Donation
GSGLLEN	$1,100.00	Sponsorship
Sheepvention	$1,000.00	Sponsorship
Dunkeld Consolidated School	$15,400.00	Sponsorship
Penshurst Football Netball Club	$ 3,000.00	Sponsorship
Grampians Golf Club	$750.00	Sponsorship
Caramut Football Netball Club	$750.00	Sponsorship
Glenthompson Pool Committee	$2,210.00	Sponsorship
Penshurst & District Racing Club	$1,100.00	Sponsorship
Lions Club Dunkeld & District	$2,305.00	Sponsorship
Grampians Cricket Club	$2,000.00	Sponsorship
Grampians Cricket Club	$2,460.00	Sponsorship
Standing Tall	$2,000.00	Sponsorship
Penshurst Progress Association	$500.00	Donation
Glenthompson Dunkeld Football Netball Club	$3,000.00	Sponsorship
Penshurst Football Netball Club	$3,000.00	Sponsorship
Cavendish Red Gum Festival	$5,000.00	Sponsorship
Cavendish Football Netball Club	$3,000.00	Sponsorship
Sterling Place, Dunkeld Community Centre	$3,000.00	Donation
Lions Club of Hamilton	$500.00	Sponsorship
Dunkeld Bowling Club	$761.38	Sponsorship
Penshurst & District Pony Club Inc	$500.00	Sponsorship
Peaks & Trails Inc	$1,000.00	Donation

Directors' Report

For year ending 30 June 2026

The directors present their report, together with the financial statements, on the company for the year ended 30 June 2026.

Directors

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

Brendan John Kelly

Non-executive director

Experience and expertise: Brendan is the managing director of Kellys which is a rural merchandise, fertiliser and hardware business located in both Penshurst & Dunkeld. Brendan established Kellys in Penshurst in 1988, then in Dunkeld in 2005. In recent years Brendan has commenced selling real estate working with Charles Stewart & Co, this is somewhat a family tradition with previous generation being involved in real estate valuations and sales. Brendan is the fourth generation of the Kelly family to live and work in Penshurst and district. Brendan and his wife Liz have three children Brooke, Shannon and Laine. They are active in the local community being involved in the football netball club, race club and Monivae college.

Special responsibilities: Nil

Jock Travers Melville Whiting

Non-executive director

Experience and expertise: Grazier, AFL Football Development Manager, South West Coast Suicide Prevention Trial - Leadership Executive, Pedrina Park - Hamilton Strategic Development Plan Member, Program Manager - AFL Victoria Country Football Academy.

Special responsibilities: Chair

Jodie Louise Young

Non-executive director

Experience and expertise: Bachelor of Nursing, Marcus Oldham Rural Leadership Program, Cavendish Red Gum Festival committee member. Jodie is from a family farming operation running a commercial Angus herd in Western Victoria. A registered nurse currently employed part time at Casterton, Victoria. Jodie lives with her husband and children at Cavendish running sheep and cattle and plans to improve the liveability and amenities of Cavendish and within our region by becoming a Bendigo Community Bank director. Jodie brings attributes including; different workplace exposure, practical, enjoys challenges and seeking out improvements, community minded, volunteering and gardening.

Special responsibilities: Nil

Joanna Wallace Heard

Non-executive director

Experience and expertise: Past/present occupations include Research Scientist: Animal Nutrition, Research Scientist: Farm Systems Economist and Farm Hand. Tertiary qualifications: Ba. Agricultural Science (Hons.). Currently Secretary at Strathmore Brigade CFA and Glenthompson Memorial Hill Inc. Committee.

Special responsibilities: Minute Secretary

Catherine Mary Loria

Non-executive director

Experience and expertise: Catherine retired in June 2026 from the position of Director of Nursing/ Manager at Penshurst & District Health Service, a campus of Western District Health Service. Her career in the health industry spanned 48 years, predominantly within rural and regional health services. Catherine has a long history of involvement in community groups within the Penshurst area and is currently an active member of the Penshurst Country Women's Association (CWA).

Special responsibilities: Company secretary

Director's Report (continued)

Michael Peter Alderman

Non-executive director

Experience and expertise: Michael is currently a self-employed farmer. He previously worked at NAB as an Agribusiness and business Banker. Michael is involved in Glenthompson Dunkeld Football Netball Club, Grampians Cricket Club and the CFA. Michael holds a Bachelor of Agricultural Science from Melbourne University.

Special responsibilities: Nil

Paul Carrazzo

Non-executive director

Experience and expertise: Paul's accounting firm, Carrazzo Consulting, merged with Baumgartners in July 2024 and he is now a partner of that firm.

Special responsibilities: Treasurer

Carly Renee Behncke

Non-executive director

Experience and expertise: Sponsorship coordinator at Cavendish Football Netball Club.

Special responsibilities: Sponsorship Director

Company secretary

The company secretary is Catherine Mary Loria. Catherine was appointed to the position of secretary on 26 April 2023.

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 $90,563 (30 June 2025: $76,573).

Operations have continued to perform in line with expectations.

Dividends

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

	2026 $	2025 $
Fully franked dividend of 5 cents per share (2025: 5 cents)	31,170	31,170

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

On 18 August 2026, APRA imposed licence conditions on Bendigo Bank relating to its non-financial risk management framework. Bendigo Bank subsequently announced a multi-year rectification program in response to those conditions.

Whilst neither APRA's announcement nor Bendigo Bank's public announcement specifically refer to Community Bank companies, the directors acknowledge that remediation and review activities may extend across BEN's broader branch network, which may include Community Bank branches. At the date of this report, the outcome of those activities, and any resulting impacts on the company, if any, are not known and cannot presently be determined.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations

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

Environmental regulation

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

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**
Brendan John Kelly	11	11
Jock Travers Melville Whiting	11	10
Jodie Louise Young	11	9
Joanna Wallace Heard	11	11
Catherine Mary Loria	11	11
Michael Peter Alderman	11	11
Paul Carrazzo	11	5
Carly Renee Behncke	11	10

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 23 to the financial statements. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

Directors' interests

The interest in company shareholdings for each director are:

Director name	Balance at start of the year $	Changes $	Balance at end of the year $
Brendan John Kelly	10,000	-	10,000
Jock Travers Melville Whiting	2,000	-	2,000
Jodie Louise Young	-	-	-
Joanna Wallace Heard	-	-	-
Catherine Mary Loria	2,000	-	2,000
Michael Peter Alderman	2,000	-	2,000
Paul Carrazzo	-	-	-
Carly Renee Behncke	1,000	500	1,500

Shares under option

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

Shares issued on the exercise of options

There were no ordinary shares of the company issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

Indemnity and insurance of directors and officers

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

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

Proceedings on behalf of the company

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

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

Indemnity and insurance of auditor

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

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

Non-audit services

The company may decide to employ the auditor on assignments additional to their statutory duties where the auditor's expertise and experience with the company are important. Details of the amounts paid or payable to the auditor (Andrew Frewin Stewart) for audit and non-audit services provided during the year are set out in note 25 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.

Director's Report (continued)

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

JTM Whiting

Jock Travers Melville Whiting
Chairman

29 September 2026

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

Auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Grampians Regional Community Enterprises Limited

As lead auditor for the audit of Grampians Regional Community Enterprises Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 29 September 2026

Adrian Downing
Lead Auditor

afsbendigo.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

Financial statements

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2026

	Note	2026 $	2025 $
Revenue from contracts with customers	6	898,698	904,959
Other revenue		5,942	488
Finance revenue		40,337	16,904
Total revenue		**944,977**	**922,351**
Employee benefits expense	7	(356,820)	(363,711)
Advertising and marketing costs		(10,277)	(5,515)
Occupancy and associated costs		(11,678)	(11,378)
System costs		(27,748)	(26,866)
Depreciation and amortisation expense	7	(43,088)	(46,746)
Finance costs	7	(14,435)	(9,958)
General administration expenses		(72,742)	(70,326)
Total expenses before community contributions and income tax expense		**(536,788)**	**(534,500)**
Profit before community contributions and income tax expense		**408,189**	**387,851**
Charitable donations, sponsorships and grants expense	7	(278,271)	(278,513)
Profit before income tax expense		**129,918**	**109,338**
Income tax expense	8	(39,355)	(32,765)
Profit after income tax expense for the year		**90,563**	**76,573**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		**90,563**	**76,573**
		Cents	**Cents**
Basic earnings per share	27	14.53	12.28
Diluted earnings per share	27	14.53	12.28

Financial statements (continued)

Statement of Financial Position as at 30 June 2026

	Note	2026 $	2025 $
ASSETS			
Current assets			
Cash and cash equivalents	9	236,212	228,418
Trade and other receivables	10	82,590	75,996
Investments	11	701,100	660,780
Current tax assets	8	9,670	8,177
Total current assets		**1,029,572**	**973,371**
Non-current assets			
Property, plant and equipment	12	33,907	41,063
Right-of-use assets	13	272,263	119,911
Intangible assets	14	66,029	7,529
Deferred tax assets	8	19,615	19,460
Total non-current assets		**391,814**	**187,963**
Total assets		**1,421,386**	**1,161,334**
LIABILITIES			
Current liabilities			
Trade and other payables	15	23,245	23,097
Lease liabilities	16	30,350	30,097
Employee benefits	17	18,022	15,905
Total current liabilities		**71,617**	**69,099**
Non-current liabilities			
Trade and other payables	15	47,540	-
Lease liabilities	16	285,783	119,404
Employee benefits	17	875	1,474
Provisions	18	15,694	30,873
Total non-current liabilities		**349,892**	**151,751**
Total liabilities		**421,509**	**220,850**
Net assets		**999,877**	**940,484**
Equity			
Issued capital	19	612,891	612,891
Retained earnings		386,986	327,593
Total equity		**999,877**	**940,484**

Financial statements (continued)

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

	Note	Issued capital $	Retained earnings $	Total equity $
Balance at 1 July 2024		612,891	282,190	895,081
Profit after income tax expense		-	76,573	76,573
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	76,573	76,573
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	21	-	(31,170)	(31,170)
Balance at 30 June 2025		612,891	327,593	940,484
Balance at 1 July 2025		612,891	327,593	940,484
Profit after income tax expense		-	90,563	90,563
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	90,563	90,563
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	21	-	(31,170)	(31,170)
Balance at 30 June 2026		612,891	386,986	999,877

Financial statements (continued)

Statement of Cash Flows
For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		988,402	1,002,166
Payments to suppliers and employees (inclusive of GST)		(837,585)	(838,959)
Interest received		40,337	16,904
Interest and other finance costs paid		(201)	-
Income taxes paid		(41,003)	(37,316)
Net cash provided by operating activities	26	149,950	142,795
Cash flows from investing activities			
Investment in term deposits		(40,320)	(316,895)
Payments for property, plant and equipment	12	(1,648)	-
Payments for intangibles assets		(33,134)	(13,201)
Net cash used in investing activities		(75,102)	(330,096)
Cash flows from financing activities			
Interest and other finance costs paid		(12,827)	(8,379)
Dividends paid	21	(31,170)	(31,170)
Repayment of lease liabilities		(23,057)	(22,451)
Net cash used in financing activities		(67,054)	(62,000)
Net increase/(decrease) in cash and cash equivalents		7,794	(249,301)
Cash and cash equivalents at the beginning of the financial year		228,418	477,719
Cash and cash equivalents at the end of the financial year	9	236,212	228,418

Notes to the Financial Statements

For year ending 30 June 2026

Note 1. Reporting entity

The financial statements cover Grampians Regional 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 92 Parker Street, Dunkeld, Victoria 3294.

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 29 September 2026. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

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

Adoption of new and revised accounting standards

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

Accounting standards issued but not yet effective

Australian Accounting Standards and Interpretations that have been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2026. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

AASB 18 *Presentation and Disclosure in Financial Statements*

AASB 18 (effective for annual reporting periods beginning on or after 1 January 2027) will replace AASB 101 *Presentation of Financial Statements.* Early adoption is permitted

The new standard does not change how amounts are recognised or measured. However, it will change how information is presented and disclosed in the financial statements. This includes a revised structure for the statement of profit or loss and other comprehensive income, new subtotals, and additional disclosures for certain performance measures.

The company intends to adopt the standard from 1 July 2027. The impact is expected to be limited to changes in presentation and disclosure.

Current and non-current classification

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

Note 3. Material accounting policy information *(continued)*

Investments

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

Impairment of non-financial assets

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

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

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

Impairment of non-financial assets

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

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

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

Note 4. Critical accounting judgements, estimates and assumptions

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

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

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.

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

Allowance for expected credit losses on trade and other receivables

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

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

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

Impairment of non-financial assets

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

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-of-use 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.

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

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and inflation have been taken into account.

The company uses historical employee attrition rates in determining the probability of an employee, at a given date, achieving continuous employment to be eligible for entitlement in accordance with long service leave legislation.

In the absence of sufficient historical employee attrition rates, the company applies a benchmark probability rate from across the Community Bank network to factor in estimating the probability of an employee, at a given date, achieving continuous employment to be eligible for entitlement in accordance with legislation.

Note 5. Economic dependency

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. 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 February 2031.

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

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

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

The credit risk (i.e. the risk that a customer will not make repayments) is for Bendigo Bank to bear as long as the company has complied with the appropriate procedures and relevant obligations and has not exercised a discretion in granting or extending credit.

Bendigo Bank provides significant assistance in establishing and maintaining the Community Bank franchise operations. It also continues to provide ongoing management and operational support and other assistance and guidance in relation to all aspects of the franchise operation, including advice and assistance in relation to:

- the design, layout and fit out of the Community Bank premises
- training for the branch manager and other employees in banking, management systems and interface protocol
- methods and procedures for the sale of products and provision of services
- security and cash logistic controls
- calculation of company revenue and payment of many operating and administrative expenses
- the formulation and implementation of advertising and promotional programs
- sales techniques and proper customer relations
- providing payroll services.

Note 6. Revenue from contracts with customers

	2026 $	2025 $
Margin income	743,622	704,311
Fee income	31,284	31,687
Commission income	123,792	168,961
	898,698	904,959

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:

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

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

Revenue calculation

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

Margin income

Margin 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.

Note 6. Revenue from contracts with customers *(continued)*

Core banking products

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

Ability to change financial return

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

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

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

Note 7. Expenses

Employee benefits expense	2026 $	2025 $
Wages and salaries	297,488	315,995
Non-cash benefits	9,776	4,768
Superannuation contributions	37,991	34,589
Expenses related to long service leave	584	(4,638)
Other expenses	10,981	12,997
	356,820	363,711

Depreciation and amortisation expense	2026 $	2025 $
Depreciation of non-current assets		
Furniture and fittings	3,047	4,057
Motor vehicles	5,757	8,336
	8,804	12,393
Depreciation of right-of-use assets		
Leased land and buildings	20,752	21,445
Amortisation of intangible assets		
Franchise fee	2,256	2,151
Franchise renewal fee	11,276	10,757
	13,532	12,908
	43,088	46,746

Finance costs	2026 $	2025 $
Lease interest expense	12,827	8,379
Unwinding of make-good provision	1,407	1,579
Interest expense - ATO	201	-
	14,435	9,958

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

Note 7. Expenses *(continued)*

Charitable donations, sponsorships and grants expense	**2026 $**	**2025 $**
Direct donation, sponsorship and grant payments	48,271	25,513
Contribution to the Community Enterprise Foundation™	230,000	253,000
	278,271	278,513

The overarching philosophy of the Community Bank model, is to support the local community in which the company operates. This is achieved by circulating the flow of financial capital into the local economy through community contributions (such as donations, sponsorships and grants).

The funds contributed 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.

Note 8. Income tax

	2026 $	**2025 $**
Income tax expense		
Current tax	32,777	26,037
Movement in deferred tax	(155)	1,743
Under/over adjustment	6,733	4,985
Aggregate income tax expense	39,355	32,765
Prima facie income tax reconciliation		
Profit before income tax expense	129,918	109,338
Tax at the statutory tax rate of 25%	32,480	27,335
Tax effect of:		
Non-deductible expenses	142	445
	32,622	27,780
Under/over adjustment	6,733	4,985
Income tax expense	39,355	32,765

	2026 $	**2025 $**
Deferred tax assets/(liabilities)		
Employee benefits	4,724	4,345
Provision for lease make good	3,924	7,718
Lease liabilities	79,033	37,375
Right-of-use assets	(68,066)	(29,978)
Deferred tax asset	19,615	19,460

Note 8. Income tax *(continued)*

	2026 $	**2025 $**
Income tax refund due	9,670	8,177

Accounting policy for income tax

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

Accounting policy for current tax

Current tax assets and liabilities are measured at amounts expected to be recovered from or paid to the taxation authorities. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Accounting policy for deferred tax

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

Note 9. Cash and cash equivalents

	2026 $	**2025 $**
Cash at bank and on hand	236,212	228,418

Note 10. Trade and other receivables

	2026 $	**2025 $**
Trade receivables	77,860	71,207
Prepayments	4,730	4,789
	82,590	75,996

	2026 $	**2025 $**
Total trade and other receivables	82,590	75,996
Less prepayments, included in trade and other receivables	(4,730)	(4,789)
	77,860	71,207

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

	2026 $	**2025 $**
Current assets		
Term deposits	701,100	660,780

Note 12. Property, plant and equipment

	2026 $	2025 $
Fixtures and fittings - at cost	63,935	62,287
Less: Accumulated depreciation	(47,299)	(44,252)
	16,636	18,035
Motor vehicles - at cost	43,032	43,032
Less: Accumulated depreciation	(25,761)	(20,004)
	17,271	23,028
	33,907	41,063

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

	Fixtures and fittings $	Motor vehicles $	Total $
Balance at 1 July 2024	22,092	31,364	53,456
Depreciation	(4,057)	(8,336)	(12,393)
Balance at 30 June 2025	18,035	23,028	41,063
Additions	1,648	-	1,648
Depreciation	(3,047)	(5,757)	(8,804)
Balance at 30 June 2026	16,636	17,271	33,907

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:

Fixtures and fittings	2 to 20 years
Motor vehicles	5 years

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

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

	2026 $	2026 $
Land and buildings - right-of-use	398,994	225,890
Less: Accumulated depreciation	(126,731)	(105,979)
	272,263	119,911

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

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

	Land and buildings $
Balance at 1 July 2024	141,356
Depreciation expense	(21,445)
Balance at 30 June 2025	119,911
Remeasurement adjustments	173,104
Depreciation expense	(20,752)
Balance at 30 June 2026	272,263

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. 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. Intangibles assets

	2026 $	2025 $
Franchise fee	44,059	32,053
Less: Accumulated amortisation	(33,054)	(30,798)
	11,005	1,255
Franchise renewal fee	170,292	110,266
Less: Accumulated amortisation	(115,268)	(103,992)
	55,024	6,274
	66,029	7,529

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

	Franchise fee $	Franchise renewal fee $	Total $
Balance at 1 July 2024	3,406	17,031	20,437
Amortisation expense	(2,151)	(10,757)	(12,908)
Balance at 30 June 2025	1,255	6,274	7,529
Additions	12,006	60,026	72,032
Amortisation expense	(2,256)	(11,276)	(13,532)
Balance at 30 June 2026	11,005	55,024	66,029

Note 14. Intangibles 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 class	Method	Useful life	Expiry/renewal date
Franchise fee	Straight-line	Over the franchise term (5 years)	February 2031
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	February 2031

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

Note 15. Trade and other payables

	2026 $	2025 $
Current liabilities		
Other payables and accruals	23,245	23,097
Non-current liabilities		
Other payables and accruals	47,540	-

	2026 $	2025 $
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	70,785	23,097
less other payables and accruals - net GST payable to the ATO	(10,076)	(10,523)
	60,709	12,574

Note 16. Lease liabilities

	2026 $	2025 $
Current liabilities		
Land and buildings lease liabilities	30,350	30,097
Non-current liabilities		
Land and buildings lease liabilities	285,783	119,404

	2026 $	2025 $
Reconciliation of lease liabilities		
Opening balance	149,501	171,952
Remeasurement adjustments	189,689	-
Lease interest expense	12,827	8,379
Lease payments - total cash outflow	(35,884)	(30,830)
	316,133	149,501

Note 16. Lease liabilities *(continued)*

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.

The company's lease portfolio includes:

Lease	Discount rate	Non-cancellable term	Renewal options available	Reasonably certain to exercise options	Lease term end date used in calculations
Dunkeld Branch	6.86%	5 years	2 x 5 years	Yes	February 2041

Note 17. Employee benefits

	2026 $	2025 $
Current liabilities		
Annual leave	6,267	5,333
Long service leave	11,755	10,572
	18,022	15,905
Non-current liabilities		
Long service leave	875	1,474

Accounting policy for employee benefits

Liabilities for annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating non-vesting sick leave is expensed when the leave is taken and is measured at the rates paid or payable.

Accounting policy for other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

Note 18. Provisions

	2026 $	2025 $
Lease make good	15,694	30,873

Note 18. Provisions *(continued)*

	2026 $	2025 $
Balance at the beginning	30,873	29,294
Present value unwinding	1,407	1,579
Provision remeasurements	(16,586)	-
	15,694	30,873

Lease make good

In accordance with the branch lease agreement, the company must restore the leased premises to the original condition before the expiry of the lease term. The company has estimated the provision to be $15,694 for the Dunkeld Branch lease, based on experience and consideration of the expected future costs to remove all fittings and the ATM as well as the cost to remedy any damages caused during the removal process. The lease is due to expire on February 2041 at which time it is expected the face-value costs to restore the premises will fall due.

Accounting policy for provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. The provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Note 19. Issued capital

	2026 Shares	2025 Shares	2026 $	2025 $
Ordinary shares - fully paid	623,400	623,400	623,400	623,400
Less: Equity raising costs	-	-	(10,509)	(10,509)
	623,400	623,400	612,891	612,891

Accounting policy for issued capital

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

Rights attached to issued capital

Ordinary shares

Voting rights

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

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

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

Note 19. Issued capital *(continued)*

Dividends

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

Transfer

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

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

Prohibited shareholding interest

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

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

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").
- 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 323. As at the date of this report, the company had 323 shareholders (2025: 322 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 20. Capital management

The board's policy is to maintain a strong capital base so as to sustain future development of the company. The board monitors 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%.

Note 20. Capital management *(continued)*

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

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

Note 21. 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.

	2026 $	2025 $
Fully franked dividend of 5 cents per share (2025: 5 cents)	31,170	31,170

Franking credits

	2026 $	2025 $
Franking account balance at the beginning of the financial year	165,060	138,134
Franking credits (debits) arising from income taxes paid (refunded)	41,003	37,316
Franking debits from the payment of franked distributions	(10,390)	(10,390)
	195,673	165,060

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

Balance at the end of the financial year	195,673	165,060
Franking credits (debits) that will arise from payment (refund) of income tax	(9,670)	(8,177)
Franking credits available for future reporting periods	186,003	156,883

The ability to utilise franking credits is dependent upon the company's ability to declare dividends. The tax rate at which future dividends will be franked is 25%.

Accounting policy for dividends

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

Note 22. 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 carrying amounts of the company's financial instruments measured at amortised cost approximate their fair values. The contractual maturities of financial liabilities are disclosed below.
- The company has no borrowings.

Note 22. Financial risk management *(continued)*

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

	2026 $	2025 $
Financial assets at amortised cost		
Cash and cash equivalents (note 9)	236,212	228,418
Trade and other receivables (note 10)	77,860	71,207
Investments (note 11)	701,100	660,780
	1,015,172	960,405
Financial liabilities		
Trade and other payables (note 15)	60,709	12,574
Lease liabilities (note 16)	316,133	149,501
	376,842	162,075

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, cash and cash equivalents and investments in term deposits.

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 rates. The company held cash and cash equivalents of $236,212 and term deposits of $701,100 at 30 June 2026 (2025: $228,418 and $660,780).

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.

Note 22. Financial risk management *(continued)*

Liquidity risk

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

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

2026	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	13,169	47,540	-	60,709
Lease liabilities	34,000	136,000	326,643	496,643
Total non-derivatives	47,169	183,540	326,643	557,352

2025	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	12,574	-	-	12,574
Lease liabilities	30,830	123,319	17,984	172,133
Total non-derivatives	43,404	123,319	17,984	184,707

Note 23. Key management personnel disclosures

The following persons were directors of Grampians Regional Community Enterprises Limited during the financial year and/or up to the date of signing these financial statements:

Brendan John Kelly
Jock Travers Melville Whiting
Jodie Louise Young
Joanna Wallace Heard
Catherine Mary Loria
Michael Peter Alderman
Paul Carrazzo
Carly Renee Behncke

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

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

Note 24. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 23.

Receivable from and payable to 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.

Terms and conditions of transactions with related parties

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

Transactions with related parties

The following transactions occurred with related parties:

Note 24. Related party transactions *(continued)*

	2026 $	2025 $
The company sponsored, granted or donated to entities where a director or close family member is on the board/committee. The total amount was:	11,300	17,000

Note 25. Remuneration of auditors

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

	2026 $	2025 $
Audit services		
Audit or review of the financial statements	8,185	7,930
Other services		
General advisory services	4,760	3,740
Share registry services	6,545	5,516
	11,305	9,256
	19,490	17,186

Note 26. Reconciliation of profit after income tax to net cash provided by operating activities

	2026 $	2025 $
Profit after income tax expense for the year	90,563	76,573
Adjustments for:		
Depreciation and amortisation	43,088	46,746
Lease liabilities interest	12,827	8,379
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(6,594)	12,145
Increase in income tax refund due	(1,493)	(6,292)
Decrease/(increase) in deferred tax assets	(155)	1,743
Increase in trade and other payables	8,790	9,465
Increase/(decrease) in employee benefits	1,518	(7,543)
Increase in other provisions	1,406	1,579
Net cash provided by operating activities	149,950	142,795

During the financial year, the company recognised intangible asset additions of $72,032. Of this amount, $33,134 was paid in cash and is included within investing activities in the statement of cash flows. The remaining $38,898 was unpaid at the reporting date and was recognised within trade and other payables. This amount represents a non-cash investing transaction and has therefore been excluded from the statement of cash flows.

Notes to the Financial Statements (continued)

Note 27. Earnings per share

	2026 $	2025 $
Profit after income tax	90,563	76,573
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	623,400	623,400
Weighted average number of ordinary shares used in calculating diluted earnings per share	623,400	623,400
	Cents	**Cents**
Basic earnings per share	14.53	12.28
Diluted earnings per share	14.53	12.28

Note 28. Commitments

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

Note 29. Contingencies

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

Note 30. Events after the reporting period

On 18 August 2026, APRA imposed licence conditions on Bendigo Bank relating to its non-financial risk management framework. Bendigo Bank subsequently announced a multi-year rectification program in response to those conditions.

Whilst neither APRA's announcement nor Bendigo Bank's public announcement specifically refer to Community Bank companies, the directors acknowledge that remediation and review activities may extend across BEN's broader branch network, which may include Community Bank branches. At the date of this report, the outcome of those activities, and any resulting impacts on the company, if any, are not known and cannot presently be determined.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Directors' Declaration

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

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

On behalf of the directors

JTM Whiting

Jock Travers Melville Whiting
Chairman

29 September 2026

Independent Audit Report

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

Independent auditor's report to the members of Grampians Regional Community Enterprises Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Grampians Regional Community Enterprises Limited (the Company) is in accordance with the *Corporations Act 2001*, including:

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

What we have audited

We have audited the financial report of Grampians Regional Community Enterprises Limited, which comprises:

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

Basis for opinion

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

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

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

Other information

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

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Liability limited by a scheme approved under Professional Standards Legislation.

Independent Audit Report (continued)

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

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 during the audit, or otherwise appears to be materially misstated.

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

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 29 September 2026

Adrian Downing
Lead Auditor

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Community Bank · Dunkeld & District
92-94 Parker Street,
Dunkeld VIC 3294
Phone: (03) 5577 2488
Email: dunkeld@bendigoadelaide.com.au
Web: www.bendigobank.com.au/dunkeld

Franchisee: Grampians Regional Community Enterprises Limited
ABN: 29 139 414 234
92-94 Parker Street, Dunkeld Victoria 3294
Phone: 03 5577 2488
Email: dunkeld@bendigoadelaide.com.au

Share Registry:
AFS & Associates Pty Ltd
PO Box 454, Bendigo VIC 3552
Phone: 5443 0344
Fax: 5443 5304
Email: shareregistry@afsbendigo.com.au

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Bendigo Bank

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