Healesville & District Community Enterprise Limited

ABN 64 143 284 182

Financial Report - 30 June 2026

Healesville & District Community Enterprise Limited
Directors' report
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:

Name:	Fiona Elizabeth Couper
Title:	Non-executive director
Experience and expertise:	Fiona is an experienced professional with a diverse background spanning hospitality, education, health, legal administration, and holistic wellbeing. Her previous roles include Hospitality Manager at Yarra Valley Estate, Operations Team Supervisor at Everlight Radiology, Enrolments Officer at James Cook University Brisbane, and Restaurant Manager at Vine Restaurant New Farm and Chachi Yarra Valley. She is also a Reiki practitioner and teacher, with experience in meditation, mindfulness, and holistic wellbeing. Fiona currently works as Shift Supervisor at the Grand Hotel Healesville. Fiona has a strong commitment to community leadership and engagement across the Yarra Valley. She is currently Chair of Healesville & District Community Enterprise Ltd, President of the Lions Club of Healesville for 2026–27, and a committee member of Tourism Network Yarra Valley. She previously served as Lions Club President in 2024–25 and as Vice President of Tourism Network Yarra Valley for 2023–24 and 2024–25. She holds a Certificate III in Business and a Diploma in Makeup Artistry and brings broad experience in leadership, operations, customer service, team management, community engagement and development, and wellbeing.
Special responsibilities:	Chair, Subcommittee member of: People & Culture Committee, Finance & Audit Committee and Business Development committees

Name:	Elise Hanrahan
Title:	Non-executive director
Experience and expertise:	Elly moved to Healesville in 2020 and has been a member of the Board since 2022. She has also been highly involved with Healesville Community Renewable Energy Inc (HCoRE), the Healesville Emergency Group and the Yarra Valley Community Foundation. Her career spans working as an operational firefighter for Forest Fire Management Victoria, a community resilience coordinator, Senior Advisor, Executive Officer and CEO across a variety of government and NFP organisations. She holds a Bachelor of Science (Advanced) with First Class Honours from Monash University, a current accreditation with the Australian Institute of Community Directors and currently holds an Observership role on the Board of the Menzies Leadership Foundation.
Special responsibilities:	Company Secretary, Chair Business Development Committee, Chair People & Culture Committee.

Name:	Walter Calvin Skilton
Title:	Non-executive director
Experience and expertise:	Walter Skilton is an experienced and professionally qualified Project Manager with over 25 years' experience managing projects and portfolios for small, medium and large businesses. He has been School Council President and continues active involvement with community groups. His experience includes roles as Secretary for Healesville Community Bank, Treasurer for Healesville Toastmasters, Treasurer for Healesville Uniting Church, Treasurer for Ringwood Highland Pipe Band and Governance Officer for Healesville CoRE. Walter has qualifications in Project Management and holds a Graduate Certificate in Management, Diploma in Datametrics degree. Walter has good experience in administrative, finance and governance tasks and has strong motivation to quality and accuracy in his work.
Special responsibilities:	HDCEL Minutes Secretary, Member of Governance & Risk Committee and Member of Business Development Committee.

Name:	Cooper Wilson
Title:	Non-executive director
Experience and expertise:	Cooper Wilson has served on the Healesville & District Community Enterprise Board since September 2024, supporting the Board as Treasurer and Deputy Chair. He is in his final year of a Bachelor of Business (Professional) at RMIT University, majoring in Finance with minors in Financial Planning and Tax, and Business Analytics. Cooper brings practical experience in Financial Planning & Analysis (FP&A) and Financial Control through his role at Patties Food Group, a leading Australian food manufacturer, where he supports operational finance, fixed asset management, inventory analysis, and capital expenditure tracking. He has also gained experience in commercial finance, including international export operations. A lifetime resident of the Yarra Valley, located in Yarra Glen, Cooper has a strong personal connection to the local community. His professional skills include financial modelling, business analytics, budgeting, forecasting, and process automation. He is committed to fostering sustainable local growth and contributing to initiatives that deliver lasting community benefits.
Special responsibilities:	Treasurer.

Name:	Tammy Manning
Title:	Non-executive director (appointed 22 January 2026)

Name:	Brett Stanley
Title:	Non-executive director (appointed 22 January 2026)

Name:	Deanne Cannizzaro
Title:	Non-executive director (appointed 5 August 2025)
Experience and expertise:	Deanne is an experienced senior executive and company director with extensive experience in governance, risk, compliance and organisational leadership. She is currently Head of Professional Services, APAC, for a global governance, risk and compliance (GRC) software company, where she leads professional services across the Asia-Pacific region and works with organisations to implement governance, risk and compliance solutions. Before joining the bank board, Deanne served for six years as a director of an independent specialist school, providing substantial experience in board governance, strategic oversight, risk management, and organisational decision-making.
Special responsibilities:	Chair of the Governance & Risk Committee.

Name:	Bruce Leonard Argyle
Title:	Non-executive director (resigned 1 February 2026)
Experience and expertise:	Bachelor of Science (Hons.), Diploma in Business and Education and Masters in Dispute Resolution. Current Board and Director roles: Australian Charities & Not-for Profit Commission (ACNC) – Reference Group (10 years) Social Investment Grants Program, Community Sector Banking – Chair (8 years) Non-executive Director, Lockwood Trust (19 years). Current community roles: Healesville Toastmasters – Exec Member, YVFM 99.1 Community Radio – Member and presenter, Healesville CoRE – Member, Healesville Community Emergency Group – Member and HEWI – Member. Paid employment roles: CEO Regional Extended Family Services (REFS) – 14 years, Director at Philanthropy Australia – 6 years, CEO InterCapital Fundraising – 2 years, Director Community Relations Uniting AgeWell – 2 years and Head of Philanthropy/NFP Specialist Team at Bendigo Bank – 5 years. Former directorships: Interact Australia – Director and Board Chair and The Chase & Tyler Foundation – Director.
Special responsibilities:	Chair; Member of Finance & Audit Committee and Member of Governance & Risk Committee.

Name:	Daniel Zemp
Title:	Non-executive director (resigned 12 February 2026)
Experience and expertise:	Cartoonist and Arborist BSc, Frontline management, Environmental management and sustainability. Currently working at the local high school as an integration aide as well as providing a regular editorial cartoon in the local paper. Daniel has 25 years experience as a climbing arborist and is currently on the committee of the ACM Australian Cartoon Museum. Daniel was previously a Bendigo Bank Advisor and Director.
Special responsibilities:	Member of Business Development Committee, and Member of Marketing, People & Sponsorship Committee.
Name:	Krystal O'Toole
Title:	Non-executive director (appointed 8 August 2025, resigned 28 April 2026)
Name:	Vanessa Yates
Title:	Non-executive director (appointed 12 August 2025, resigned 24 April 2026)
Experience and expertise:	Registered BAS Agent, Diploma of Accounting, own bookkeeping firm called Balanced Advisory Co, have been on the board of numerous charities, usually holding the seat of Treasurer.
Special responsibilities:	Treasurer.

Company secretary
The company secretary is Elise Hanrahan. Elise was appointed to the position of company secretary on 1 July 2025.

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 $233,314 (2025: $218,946).

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 $
Unfranked dividend of 7 cents per share (2025: 9 cents)	62,932	80,912

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 meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Board		People & Culture Committee		Finance & Audit Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Fiona Elizabeth Couper	11	11	-	-	-	-
Elise Hanrahan	11	11	3	3	-	-
Walter Skilton	11	11	-	-	-	-
Cooper Wilson	11	8	-	-	5	5
Tammy Manning	6	5	-	-	-	-
Brett Stanley	6	6	-	-	-	-
Deanne Cannizzaro	11	11	-	-	-	-
Bruce Leonard Argyle	10	10	2	1	5	5
Daniel Zemp	6	5	-	-	-	-
Krystal O'Toole	9	4	2	1	-	-
Vanessa Yates	9	5	-	-	5	3

	Governance & Risk Committee		Business Development Committee	
	Eligible	Attended	Eligible	Attended
Fiona Elizabeth Couper	-	-	11	9
Elise Hanrahan	-	-	11	10
Walter Skilton	8	8	11	9
Cooper Wilson	-	-	-	-
Tammy Manning	5	1	-	-
Brett Stanley	5	1	5	2
Deanne Cannizzaro	8	8	-	-
Bruce Leonard Argyle	-	-	-	-
Daniel Zemp	-	-	5	3
Krystal O'Toole	-	-	9	4
Vanessa Yates	-	-	-	-

Directors' benefits

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

Directors' interests
The interest in company shareholdings for each director are:

	Balance at the start of the year	Changes	Balance at the end of the year
Fiona Elizabeth Couper	-	-	-
Elise Hanrahan	-	-	-
Walter Calvin Skilton	3,000	-	3,000
Cooper Wilson	-	-	-
Tammy Manning	25,000	-	25,000
Brett Stanley	25,000	-	25,000
Deanne Cannizzaro	-	-	-
Bruce Leonard Argyle	2,000	-	2,000
Daniel Zemp	2,000	-	2,000
Krystal O'Toole	-	-	-
Vanessa Yates	-	-	-

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 23 to the accounts.

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

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

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

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

On behalf of the directors

Fiona Couper
_____
Fiona Elizabeth Couper
Chairman

9 October 2026

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

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Healesville & District Community Enterprise Limited

As lead auditor for the audit of Healesville & District Community Enterprise 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: 9 October 2026

Joshua Griffin
Lead Auditor

Liability limited by a scheme approved under Professional Standards Legislation.

Healesville & District Community Enterprise Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	2026 $	2025 $
Revenue from contracts with customers	6	1,036,558	970,508
Other revenue		13	-
Finance revenue		18,949	13,852
Total revenue		1,055,520	984,360
Employee benefits expense	7	(448,560)	(390,246)
Advertising and marketing costs		(8,236)	(11,325)
Occupancy and associated costs		(26,284)	(26,869)
System costs		(30,737)	(28,762)
Depreciation and amortisation expense	7	(79,662)	(90,187)
Finance costs	7	(26,986)	(17,426)
General administration expenses		(91,840)	(93,925)
Total expenses before community contributions and income tax expense		(712,305)	(658,740)
Profit before community contributions and income tax expense		343,215	325,620
Charitable donations and sponsorships expense		(31,624)	(33,124)
Profit before income tax expense		311,591	292,496
Income tax expense	8	(78,277)	(73,550)
Profit after income tax expense for the year		233,314	218,946
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		233,314	218,946
		Cents	**Cents**
Basic earnings per share	25	25.95	24.35
Diluted earnings per share	25	25.95	24.35

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Healesville & District Community Enterprise Limited
Statement of financial position
As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	9	295,695	315,249
Trade and other receivables	10	117,097	98,408
Investments	11	470,866	297,000
Total current assets		883,658	710,657
Non-current assets			
Property, plant and equipment	12	85,853	79,402
Right-of-use assets	13	399,841	219,479
Intangible assets	14	66,029	8,336
Deferred tax assets	8	33,465	30,943
Total non-current assets		585,188	338,160
Total assets		1,468,846	1,048,817
Liabilities			
Current liabilities			
Trade and other payables	15	57,852	51,108
Borrowings		2,213	6,245
Lease liabilities	16	69,095	65,432
Current tax liabilities	8	20,975	20,634
Employee benefits		29,277	13,397
Total current liabilities		179,412	156,816
Non-current liabilities			
Trade and other payables	15	47,540	-
Lease liabilities	16	374,336	178,958
Employee benefits		3,440	12,045
Provisions		24,735	31,997
Total non-current liabilities		450,051	223,000
Total liabilities		629,463	379,816
Net assets		839,383	669,001
Equity			
Issued capital	17	872,080	872,080
Accumulated losses		(32,697)	(203,079)
Total equity		839,383	669,001

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

Healesville & District Community Enterprise Limited
Statement of changes in equity
For the year ended 30 June 2026

		Issued capital $	Accumulated losses $	Total equity $
Balance at 1 July 2024		872,080	(341,113)	530,967
Profit after income tax expense		-	218,946	218,946
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	218,946	218,946
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	19	-	(80,912)	(80,912)
Balance at 30 June 2025		872,080	(203,079)	669,001
Balance at 1 July 2025		872,080	(203,079)	669,001
Profit after income tax expense		-	233,314	233,314
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	233,314	233,314
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	19	-	(62,932)	(62,932)
Balance at 30 June 2026		872,080	(32,697)	839,383

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

Healesville & District Community Enterprise Limited
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)		1,120,908	1,080,790
Payments to suppliers and employees (inclusive of GST)		(741,179)	(682,601)
Interest received		14,852	3,820
Interest and other finance costs paid		-	(584)
Income taxes paid		(80,458)	(16,382)
Net cash provided by operating activities	24	314,123	385,043
Cash flows from investing activities			
Investment in term deposits		(173,866)	(197,000)
Payments for property, plant and equipment	12	(17,814)	(3,743)
Payments for intangible assets		(14,406)	-
Net cash used in investing activities		(206,086)	(200,743)
Cash flows from financing activities			
Repayment of lease liabilities		(44,184)	(51,831)
Interest and other finance costs paid		(25,346)	(15,111)
Dividends paid	19	(62,932)	(80,912)
Net proceeds from/(repayment of) borrowings		4,871	(5,155)
Net cash used in financing activities		(127,591)	(153,009)
Net increase/(decrease) in cash and cash equivalents		(19,554)	31,291
Cash and cash equivalents at the beginning of the financial year		315,249	283,958
Cash and cash equivalents at the end of the financial year	9	295,695	315,249

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

Healesville & District Community Enterprise Limited
Notes to the financial statements
30 June 2026

Note 1. Reporting entity

The financial statements cover Healesville & District Community Enterprise 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:

Registered office	Principal place of business
74 Dandenong Road, Frankston VIC 3199	205 Maroondah Highway, Healesville VIC 3777

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 9 October 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 2025. 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 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.

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

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

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

The company includes extension options applicable to the lease of branch premises in its calculations of both the right-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.

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

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

Note 5. Economic dependency

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the CommunityBank. 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 the 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	938,798	866,688
Fee income	38,543	43,019
Commission income	59,217	60,801
	1,036,558	970,508

Note 6. Revenue from contracts with customers (continued)

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.

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

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

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

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

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

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

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

Note 6. Revenue from contracts with customers (continued)

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	385,221	326,306
Superannuation contributions	46,031	38,255
Expenses related to long service leave	1,066	8,597
Other expenses	16,242	17,088
	448,560	390,246

Depreciation and amortisation expense

	2026 $	2025 $
Depreciation of non-current assets		
Leasehold improvements	8,272	24,028
Plant and equipment	3,091	1,930
	11,363	25,958
Depreciation of right-of-use assets		
Leased land and buildings	53,960	48,967
Amortisation of intangible assets		
Franchise fee	2,390	2,543
Franchise renewal fee	11,949	12,719
	14,339	15,262
	79,662	90,187

Finance costs

	2026 $	2025 $
Other interest paid or accrued	-	584
Lease interest expense	25,346	15,111
Unwinding of make-good provision	1,640	1,731
	26,986	17,426

Charitable donations, sponsorships and grants

	2026 $	2025 $
Direct donation, sponsorship and grant payments	31,624	33,124

Note 8. Income tax

	2026 $	2025 $
Income tax expense		
Current tax	80,799	37,016
Movement in deferred tax	(2,522)	(3,150)
Recoupment of prior year tax losses	-	39,684
Aggregate income tax expense	78,277	73,550
Prima facie income tax reconciliation		
Profit before income tax expense	311,591	292,496
Tax at the statutory tax rate of 25%	77,898	73,124
Tax effect of:		
Non-deductible expenses	379	426
Income tax expense	78,277	73,550

	2026 $	2025 $
Deferred tax assets/(liabilities)		
Property, plant and equipment	11,737	12,863
Employee benefits	8,179	6,360
Provision for lease make good	6,184	7,999
Income accruals	(3,532)	(2,506)
Lease liabilities	110,857	61,097
Right-of-use assets	(99,960)	(54,870)
Deferred tax asset	33,465	30,943

	2026 $	2025 $
Provision for income tax	20,975	20,634

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	295,695	315,249

Note 10. Trade and other receivables

	2026 $	2025 $
Trade receivables	91,800	72,481
Other receivables and accruals	3,789	8,391
Accrued income	14,129	10,032
Prepayments	7,379	7,504
	25,297	25,927
	117,097	98,408

	2026 $	2025 $
Total trade and other receivables	117,097	98,408
Less prepayments, included in trade and other receivables	(7,379)	(7,504)
	109,718	90,904

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	470,866	297,000

Note 12. Property, plant and equipment

	2026 $	2025 $
Leasehold improvements - at cost	223,562	217,117
Less: Accumulated depreciation	(155,297)	(147,025)
	68,265	70,092
Plant and equipment - at cost	32,749	21,380
Less: Accumulated depreciation	(15,161)	(12,070)
	17,588	9,310
	85,853	79,402

Note 12. Property, plant and equipment (continued)

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

	Leasehold improvements $	Plant and equipment $	Total $
Balance at 1 July 2024	94,120	7,497	101,617
Additions	-	3,743	3,743
Depreciation	(24,028)	(1,930)	(25,958)
Balance at 30 June 2025	70,092	9,310	79,402
Additions	6,445	11,369	17,814
Depreciation	(8,272)	(3,091)	(11,363)
Balance at 30 June 2026	68,265	17,588	85,853

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.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Leasehold improvements	4 to 20 years
Plant and equipment	1 to 40 years

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

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

Note 13. Right-of-use assets

	2026 $	2025 $
Land and buildings - right-of-use	692,097	457,775
Less: Accumulated depreciation	(292,256)	(238,296)
	399,841	219,479

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	51,587
Remeasurement	216,859
Depreciation expense	(48,967)
Balance at 30 June 2025	219,479
Remeasurement	234,322
Depreciation expense	(53,960)
Balance at 30 June 2026	399,841

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. Intangible assets

	2026 $	2025 $
Franchise fee	44,059	32,053
Less: Accumulated amortisation	(33,054)	(30,664)
	11,005	1,389
Franchise renewal fee	170,292	110,266
Less: Accumulated amortisation	(115,268)	(103,319)
	55,024	6,947
	66,029	8,336

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	3,932	19,666	23,598
Amortisation expense	(2,543)	(12,719)	(15,262)
Balance at 30 June 2025	1,389	6,947	8,336
Additions	12,006	60,026	72,032
Amortisation expense	(2,390)	(11,949)	(14,339)
Balance at 30 June 2026	11,005	55,024	66,029

Note 14. Intangible assets (continued)

Additions
During the financial year the Healesville franchise fee was renewed. This is being amortised over five years to February 2031.

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

Change in estimates
During the financial year, the company assessed estimates used for intangible assets including useful lives, residual values, and amortisation methods. There were no changes in estimates for the current reporting period.

Note 15. Trade and other payables

	2026 $	2025 $
Current liabilities		
Other payables and accruals	57,852	51,108
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	105,392	51,108
Less statutory payables, included in trade and other payables	(20,354)	(21,688)
	85,038	29,420

Note 16. Lease liabilities

	2026 $	2025 $
Current liabilities		
Land and buildings lease liabilities	69,095	65,432
Non-current liabilities		
Land and buildings lease liabilities	374,336	178,958

Note 16. Lease liabilities (continued)

Reconciliation of lease liabilities

	2026 $	2025 $
Opening balance	244,390	72,168
Remeasurement adjustments	243,225	224,053
Lease interest expense	25,346	15,111
Lease payments - total cash outflow	(69,530)	(66,942)
	443,431	244,390

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
Healesville Branch	6.85%	5 years	1 x 5 years	Yes	September 2033

Remeasurement adjustments
The company has determined it is now reasonably certain to exercise the extension options available for the Healesville branch lease. As such a remeasurement of the right-of-use asset, lease liability and make-good provision occurred using the revised lease term end date of September 2033.

Note 17. Issued capital

	2026 Shares	2025 Shares	2026 $	2025 $
Ordinary shares - fully paid	899,026	899,026	899,026	899,026
Less: Equity raising costs	-	-	(26,946)	(26,946)
	899,026	899,026	872,080	872,080

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

Rights attached to issued capital

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

Note 17. Issued capital (continued)

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

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

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

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

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

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 259. As at the date of this report, the company had 309 shareholders (2025: 309 shareholders).

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

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

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

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

Note 18. Capital management

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

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

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

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

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

Note 19. Dividends

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 $
Unfranked dividend of 7 cents per share (2025: 9 cents)	62,932	80,912

Franking credits

	2026 $	2025 $
Franking account balance at the beginning of the financial year	16,382	-
Franking credits (debits) arising from income taxes paid (refunded)	80,458	16,382
	96,840	16,382
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	96,840	16,382
Franking credits (debits) that will arise from payment (refund) of income tax	20,975	20,684
Franking credits available for future reporting periods	117,815	37,066

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

Note 20. Financial risk management

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

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

Note 20. Financial risk management (continued)

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

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

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		
Trade and other receivables (note 10)	109,718	90,904
Cash and cash equivalents (note 9)	295,695	315,249
Term deposits (note 11)	470,866	297,000
	876,279	703,153
Financial liabilities at amortised cost		
Trade and other payables (note 15)	85,038	29,420
Lease liabilities (note 16)	443,431	244,390
Bank loans	2,213	6,245
	530,682	280,055

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.

Note 20. Financial risk management (continued)

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 subject to movements in market interest rates. Interest-rate risk could also arise from long-term borrowings. Borrowings issued at variable rates expose the company to cash flow interest-rate risk. The company held cash and cash equivalents of $295,695 at 30 June 2026 (2025: $315,249) and term deposits of $470,866 at 30 June 2026 (2025: $297,000).

An analysis by remaining contractual maturities is shown in 'liquidity risk' below.

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.

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

The company'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.

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 company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Exposure to liquidity risk
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 $
Bank loans	2,213	-	-	2,213
Trade and other payables	85,038	47,540	-	132,578
Lease liabilities	71,616	308,602	183,124	563,342
Total non-derivatives	158,867	356,142	183,124	698,133

2025	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Lease liabilities	68,000	215,516	-	283,516
Total non-derivatives	68,000	215,516	-	283,516

Note 21. Key management personnel disclosures

The following persons were directors of Healesville & District Community Enterprise Limited during the financial year and/or up to the date of signing of these Financial Statements.

Fiona Elizabeth Couper
Elise Hanrahan
Walter Calvin Skilton
Cooper Wilson
Tammy Manning
Brett Stanley
Deanne Cannizzaro
Bruce Leonard Argyle
Daniel Zemp
Krystal O'Toole
Vanessa Yates

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 22. Related party transactions

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

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

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

Transactions with related parties
The following transactions occurred with related parties:

	2026 $	2025 $
During the year the company paid a sponsorship to Yarra Valley Tourism Summit, of which a director is a member. The total benefit received was:	-	85
During the year the company paid a sponsorship to The Lions Club of Healesville, of which a director is a member. The total benefit received was:	340	360
During the year the company paid a sponsorship to Healesville Festival, of which a director is a member. The total benefit received was:	5,000	-

Note 23. Remuneration of auditors

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

	2026 $	2025 $
Audit services		
Audit or review of the financial statements	8,185	7,930
Other services		
General advisory services	5,515	3,590
Share registry services	13,571	7,904
	19,086	11,494
	27,271	19,424

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

	2026 $	2025 $
Profit after income tax expense for the year	233,314	218,946
Adjustments for:		
Depreciation and amortisation	79,662	90,187
Lease liabilities interest	25,346	15,111
Change in operating assets and liabilities:		
Increase in trade and other receivables	(22,786)	(10,922)
Decrease/(increase) in deferred tax assets	(2,522)	36,534
Decrease in accrued revenue	4,097	10,032
Decrease in trade and other payables	(3,342)	(3,108)
Increase in provision for income tax	341	20,634
Increase in employee benefits	7,275	5,899
Increase/(decrease) in other provisions	(7,262)	1,730
Net cash provided by operating activities	314,123	385,043

Note 25. Earnings per share

	2026 $	2025 $
Profit after income tax	233,314	218,946
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	899,026	899,026
Weighted average number of ordinary shares used in calculating diluted earnings per share	899,026	899,026
	Cents	**Cents**
Basic earnings per share	25.95	24.35
Diluted earnings per share	25.95	24.35

Note 26. Commitments

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

Note 27. Contingencies

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

Note 28. Events after the reporting period

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.

Note 28. Events after the reporting period (continued)

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.

Healesville & District Community Enterprise Limited
Directors' declaration
30 June 2026

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



Fiona Elizabeth Couper
Chairman

9 October 2026

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 Healesville & District Community Enterprise Limited

Report on the Audit of the Financial Report

Our opinion

In our opinion, the accompanying financial report of Healesville & District Community Enterprise 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
ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

We have audited the financial report of the company, 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 policies, and
- the Directors' declaration.

Basis for opinion

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

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

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, which is expected to be made available to us after the date of this auditor's report. The other information does not include the financial report and our auditor's report thereon.

Liability limited by a scheme approved under Professional Standards Legislation.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained 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: 9 October 2026

Joshua Griffin
Lead Auditor

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