

Annual Report 2025

Highett Community
Financial Services Limited

Community Bank
Highett

ABN 23 094 393 683



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Chairperson's report

For year ending 30 June 2025



Through combined efforts of our Branch Team and Directors, we've rebuilt post-pandemic momentum. Our ambitious three-year target: maintain or exceed this growth rate while continuing to deliver meaningful community impact.

Community Bank Highett achieved a remarkable 15% loan growth this year—a standout result in today's competitive banking environment. This validates our strategic approach and demonstrates that our community-focused model resonates with local customers. Through combined efforts of our Branch Team and Directors, we've rebuilt post-pandemic momentum. Our ambitious three-year target: maintain or exceed this growth rate while continuing to deliver meaningful community impact.

As Chair of Highett Community Financial Services Limited (HCFSL), I am delighted to present our Annual Report for 2025—a truly milestone year as we look forward to celebrating our 25th year of community banking excellence.

A Quarter Century of Community Impact

Twenty-five years ago, our community had a vision: to create a bank that would keep profits local and reinvest them where they matter most. Today, as we reflect on this remarkable journey, that vision has not only been realised but has flourished beyond our founders' boldest dreams.

We successfully achieved our primary objective of restarting the bank's business growth after the challenging pandemic period. This wasn't just about numbers—it was about reconnecting with our community and reaffirming our shared purpose.

Financial Performance: Strong Results Supporting Strong Communities

Our profit before tax was \$353,948 with \$193,327 invested directly back into our community through grants, sponsorships, and strategic partnerships.

	2024-25	2023-24
Total Gross Income	1,506,165	1,591,636
Less Total Expenses	1,152,218	1,089,825
Profit Before Tax	353,948	501,811
Add Back Community Returns and Sponsorships	193,327	240,918
Profit Before Tax and Community Returns	547,275	742,729

These results reflect not just financial success, but the trust our community continues to place in us. Every dollar of profit represents a choice made by local residents and businesses to bank with their community bank.

Community Investment: \$190,000+ Making a Real Difference

Our commitment to community investment has never been stronger. This year we provided over \$190,000 to local organisations, demonstrating our profit-for-purpose model in action.

Chairperson’s report (continued)

A highlight of our community partnerships is our new three-year agreement with Brighton Rotary Club, supporting their vital charitable work. This partnership exemplifies our approach: building lasting relationships that create sustained community benefit.

Beyond individual grants, we’re focused on providing long-term support that builds confidence and enables community organisations to plan with certainty. This strategic approach ensures our investments create lasting impact rather than just short-term assistance.

Strategic Investment in Growth

Recognising the opportunities ahead, our Board has created a new senior Commercial Manager position, and we’re thrilled to welcome Kyra Snell to this role. Kyra brings extensive experience and will focus on communicating our value proposition to a wider audience while supporting our growth strategy.

This investment in our team reflects our confidence in the future and our commitment to serving our community even better.

Cumulative Impact: A Legacy of Local Investment

Our total community returns as of 30 June 2025 stand at an impressive \$239,745, distributed as follows:

Dividends/ Returns to Shareholders	46,418
Community Returns (Donations and Grants)	52,632
Sponsorships	140, 695

Board Renewal and Continuity

Leadership transitions are natural in any organization, and this year we farewelled Joe McFadries, who stepped down due to other commitments. We sincerely thank Joe for his valuable contributions and wish him well.

Our current Board brings together diverse skills and deep community knowledge. I encourage you to read the director profiles in this report—they reflect the calibre of people committed to ensuring Community Bank Highett continues delivering on its community promises.

Our Dedicated Branch Team

Behind every successful community bank is an exceptional team. Our branch staff continue to deliver outstanding service: Guireh Darar (Branch Manager), Gunjan Singhal (Customer Relationship Manager), Mandy Keys (Customer Relationship Officer), Jane Turner (Customer Relationship Officer), Angela Kasputtis (Community Engagement Advisor), Bianca Ramadan (Customer Service Officer), and Ryan Kersey (Customer Service Officer).

We also acknowledge the ongoing support of Kristy Marshall (Regional Manager) and the broader Bendigo Bank team.

Looking Forward: The Next 25 Years

In 2026 we will be celebrating the bank’s 25th year of community banking, we’re not just looking back—we’re building for the future. The partnerships we’re forging, the team we’re strengthening, and the trust we’re earning position us perfectly for continued growth and community impact.

Our success depends on the continued support of our shareholders, customers, and community partners. When you choose Community Bank Highett, you’re not just choosing a bank—you’re choosing to keep profits local, support community projects, and invest in our shared future.

Thank You

To our shareholders, customers, community partners, board members, and staff—thank you for making 2025 such a successful year. Your support, patronage, and dedication make everything we do possible.

As we enter our next quarter-century, I’m confident that Community Bank Highett will continue to be a cornerstone of our community, delivering both excellent banking services and meaningful local impact.

Here’s to the next 25 years of putting community first.



Paul Reid
Chairperson
Highett Community Financial Services Limited

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Manager's report

For year ending 30 June 2025



We were very proud to have another significant year of contributing back to our community. Highett Community Financial Services Limited community contributions for the 2025 financial year were \$193,000, bringing our total contributions to over \$3.8 million since our inception in March of 2001.

I am proud of our team's resilience and development in the past financial year, and I am excited to share the positive impact this has had on the branch's performance in financial year 2025.

For the year ending 30 June 2025 Community Bank Highett saw strong growth in both deposits and lending, with the following growth numbers:

- Deposit Growth – \$6.29 million
- Lending Growth – \$7.38 million

This growth takes the value of our total book to \$198.8 million consisting of \$138.9 million of deposits, \$56.9 million of lending and \$2.9 million in other business, resulting in total growth of over \$13million. This is a fantastic effort considering the previous financial year saw negative growth of \$3.68 million across the book.

None of these achievements would be possible without the hard work and dedication of our wonderful team, and I would like to take this opportunity to thank Mandy Keys, Gunjan Singhal, Jane Turner, Bianca Ramadan, Ryan Kersey and Angela Kasputtis for their contributions to a successful year and I look forward to what we can achieve in financial year 2026 and beyond.

We were very proud to have another significant year of contributing back to our community. Highett Community Financial Services Limited community contributions for the 2025 financial year were \$193,000, bringing our total contributions to over \$3.8 million since our inception in March of 2001. This is in no way possible without the income generated from the business of our customers and members of the local community and we thank you for the ongoing support that has allowed us to reinvest into our local community year on year.

Going forward into 2026, we are looking forward to achieving another year of consistent and strong performance. We will continue to invest in the growth of our staff so they can assist our customers achieve their financial goals.

Our focus for 2026 financial year will be:

- To build mutually beneficial and sustainable relationships with our community partners
- Develop strategies to generate profitable growth in our business in this low margin economy
- Continue to provide exceptional service to our existing and new to bank customers and become the bank of choice in our local community.

The team at Community Bank Highett would personally like to thank our Board, our Regional Manager Kristy Marshall, but above all, our customers and shareholders for their continued support. We look forward to working with all of you in the 2026 financial year and beyond, sharing success and continuing to build a community that thrives now and into the future.

March 2026 will mark our 25th anniversary since the opening of Community Bank Highett on 17th of March 2001. We look forward to celebrating this momentous occasion with our local community. A massive thankyou to the founders, shareholders and committed locals that made Community Bank Highett what it is today.

A handwritten signature in cursive script that reads "Guirch Darar".

**Branch Manager
Community Bank Highett**

Bendigo and Adelaide Bank report

For year ending 30 June 2025

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

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

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

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

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

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

Justine Minne
Head of Community Banking, Bendigo Bank

Community Bank National Council report

For year ending 30 June 2025



COMMUNITY BANK
NATIONAL COUNCIL

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

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

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

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

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

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

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

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

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

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

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

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

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

Community Bank National Council

Board of Directors

For year ending 30 June 2025



Paul Reid

Occupation: Non-executive Director Swoop Holdings

Work background: A senior executive and successful entrepreneur, with the last 12 years building a small regional telecommunications business into an ASX listed company. Management Consulting experience with Andersen Consulting & AT Kearney working across the telco, oil & gas, retail, technology, and financial services industries.

Qualifications: Master of Science Information Technology, University of Stirling; Bachelor of Arts, Kingston University; Australian Institute of Company Directors Course Graduate.

Other Directorships: Swoop Holdings Limited.

Former Directorships in last 3 years: Nil

Board Committees: Growth and Partnership Committee and Governance, Risk, Finance and Assets Committee.

Interest in shares: Nil



Susan Smith (Company Secretary)

Occupation: Currently Board Secretary, State Library of Victoria.

Work background: Over 35 years' experience in Air Traffic Management, from working as an air traffic controller to corporate executive management, including representing the Federal Government at the International Civil Aviation Organisation (part of the UN).

Qualifications: Master of Business Administration and Bachelor of Science, Sydney University, Graduate Diploma Corporate Governance, GIA; Diploma of Aviation; Australian Institute of Company Directors Course Graduate.

Other Directorships: Swimming Australia, Swimming Australia Foundation

Former Directorships in the last 3 years: Nil

Board Committees: Governance, Risk, Finance and Assets Committee and People and Culture Committee

Interest in shares: 1800



Bradley Price

Occupation: Board Director

Work background: 25+ years of experience in senior Banking and Finance Roles (in various departments) including Business Banking, Private Banking and Automotive Finance. Strong credit risk and corporate governance experience.

Qualifications: Bachelor of Commerce (Accounting), Deakin University; Certified Practicing Accountant; and Diploma of Financial Planning.

Other Directorships: Board member for 5 years at Anchor Community Care Ltd (a medium-sized NFP in the Eastern Suburbs) and Chair of the Future Growth subcommittee.

Board Committees: Growth and Partnerships Committee

Former Directorships in the last 3 years: Nil

Interest in shares: 2700

Board of Directors (continued)



Isobel Santos

Occupation: Head of Partnerships at Australian Payments Plus

Work background: A senior executive leader with 20+ years experience across product, operations, risk and governance roles in the financial services and retail industries. Extensive experience in leading large cross-functional business units, delivering complex transformation programs for various Australian banks..

Qualifications: Master of Business RMIT; Bachelor of Business La Trobe University; Australian Institute of Company Directors Course Graduate.

Other Directorships: Nil

Former Directorships in the last 3 years: Music and the Brain Foundation

Board Committees: People and Culture Committee

Nil Interest in Shares: Nil



Joseph McFadries (till April 2025)

Occupation: JMF Solutions Pty Ltd Founder and Director.

Work background: An experienced executive director with a strong track record in strategy development and execution, while delivering sustainable commercial outcomes through business transformation. Extensive national and international experience, including board positions in both Australia and Southeast Asia.

Qualifications: Bachelor of Applied Science; Graduate Diploma in Applied Science; Master of Business Administration; Master of Applied Finance; Graduate Australian Institute of Company Directors; INSEAD Australia Pacific Strategy Program.

Other Directorships: JMF Solutions

Former Directorships in last 3 years: Nil

Interest in shares: Nil



Frank Warner (Treasurer)

Occupation: Principal, PPP Advisory; Non-executive director

Work background: Diverse commercial services experience across the for-profit and not-for-profit sectors, including executive-level experience across strategy, governance, risk and compliance, financial management, property management.

Qualifications and Memberships: B. Business RMIT; Fellow Chartered Accountants Australia and New Zealand (FCA); Member Australian Institute of Company Directors (MAICD); Member Institute of Community Directors Australia (MCDA)

Other Directorships: Benetas Aged Care

Former Directorships in last 3 years: Nil

Board Committees: Governance, Risk, Finance and Assets Committee

Interest in shares: Nil

Board of Directors (continued)



Stephen Hewett

Work background: 30-year career, including 15 years across various subsidiaries of ANZ & Westpac Banks as a corporate and institutional lease and finance specialist. This extended into IBM for 9 years as a Financing Sales Exec and Sales Manager. For the last 5 years Stephen has been in mobile IT consulting at Mantel Group as a Partner Digital and Chief Operating Officer of their Mobile consulting business.

Qualifications and Memberships: BEc (Latrobe Uni), Grad Cert Enterprise Innovation (Swinburne Uni).

Former Directorships in the last 3 years: Nil

Board Committees and Working Groups: Growth and Partnerships Committee

Shares in HCFSL: 4,500 held in wife Suzanne's name.



Jenana Roper

Occupation: General Manager Digital Solutions, Pacific region at Schneider Electric.

Work background: Jenana is a senior executive with over 22 years of experience across engineering, the built environment, and technology sectors, spanning large multi-national corporations to small software start-ups. She has held leadership roles in consulting, business advisory, commercial strategy, and digital transformation across industries including buildings, healthcare, energy, utilities, and transport. Jenana brings strong governance, strategic planning, and stakeholder engagement capabilities to the Board, and is passionate about delivering lasting social and economic impact to local communities.

Qualifications: Bachelor Business Management (BBus), Graduate Diploma in CAD/BIM, Mini Marketing MBA, INSEAD Executive Leadership – Schneider Women Leaders Program, Project Management Professional (PMP), Not-for-profit Governance, Not-for-profit Finance.

Memberships: Women on Boards, Project Management Institute, Sustainable Digitalization Project roundtable member, Property Council of Australia, The Australian Women in Security Network, Scrum Alliance, International Institute of Business Analysis.

Former directorships in last 3 years: Nil

Board Committees and Working Groups: Growth and Partnerships Committee

Shares in HCFSL: Nil



Nicole Bourman

Occupation: Company Secretary, Project Management Professional

Work background: Founder and State Director of the Shooters Fishers and Farmers Party Victoria. IT Project Management/Portfolio Analyst in for the Finance and Superannuation Industry, over 20 years' experience in technical and project management roles in the IT industry.

Qualifications and Memberships: Member of the Institute of Community Directors Australia.

Former Directorships in the last 3 years: Company Secretary for the Shooters Fishers and Farmers Party Victoria since 2013. Committee member and then President of the Bayside Toy Library since 2021.

Board Committees: Growth and Partnerships Committee

Shares in HCFSL: Nil

Community Impact Stories

For year ending 30 June 2025

Throughout 2024-25, we have invested in a variety of worthy projects and community organisations across the categories of Community Resilience, Education and Sport and Recreation including:

1st Cheltenham Scouts Group	Kerry Evitts Art
2 Addictive Lifestyles	Livingston Kindergarten
Bayside Community Information & Support Services (BayCISS)	McKinnon Basketball Association
Bayside Community Emergency Relief	Moorabbin and District Junior Tennis Association
Bayside Cricket Club	Moorabbin Area Toy Library
Bayside Saints Masters Football Club	Moorabbin Bowling Club Inc
Bayside Toy Library	Moorabbin Kangaroos Football Club
Beaumaris North Primary School	Moorabbin Little Athletics Centre
Bentleigh Calisthenics	Moorabbin Magic Basketball Inc
Brighton District Cricket Club	Omega Netball Club
Brighton Philatelic Society (Vic)	Rotary Club of Brighton Inc
Cheltenham Park Cricket Club	Southern Area Concert Band
Farm Rd Pre-School Inc.	Southmoor Primary School
Hampton Community Kindergarten	St Davids Anglican Church Moorabbin
Hampton Hammers Football Club	Triumph of Good Incorporated
Highbett Football Netball Club	VIC SES Moorabbin
Highbett Neighbourhood Community House	Victorian Philatelic Council
Highbett Traders Association Inc.	White Star Dandenong FC
	Windana Drug & Alcohol Recovery Ltd

All our community partners do a fantastic job in meeting the needs of our community. Here are a few of their stories.

VIC SES Moorabbin Unit - Kitchen Renovation Project

Recently, the SES Moorabbin Unit received a grant from Community Bank Highett to renovate the kitchen for the thirty-nine volunteers. Families of the SES Moorabbin Unit and local residents, including Bunnings Warehouse Australia in Moorabbin, contributed to the renovation efforts. A team of ten individuals collaborated to take out the old cabinets, set up the new installation, and paint the refreshed area.

After three months of hard work the SES members now benefit from an enhanced eating and relaxation area.

The revamped kitchen provides a welcoming atmosphere for volunteers to unwind during and after their busy shifts. Improved facilities not only help attract more SES members but also enhance volunteer retention.



Community Impact Stories (continued)



Highett West Cricket Club

The sponsorship funding provided by Community Bank Highett went directly to providing new uniforms for players. Additionally, the support allowed the club to invest in equipment, specialised coaching and importantly an opportunity to make Highett West Cricket Club and the sport of cricket available to all, even those facing economic hardship.

Kerry Evitts Art

Melbourne-based painter Kerry Evitts is actively working to reduce social isolation and promote mindfulness through a series of workshops in Highett. One of Kerry's most impactful initiatives is the Community Bank Highett - Next Generation 2025 Art Exhibition. This is an inspiring event that highlights the therapeutic benefits of art for mental health. This annual exhibition showcases the creativity of over 60 young artists, drawing in more than 500 community members to celebrate art, engage in creative activities, and explore mindfulness techniques.



McKinnon Basketball Association (MBA)

McKinnon Basketball Association is a not-for-profit Community Sporting Association that provides people within the cities of Glen Eira, Bayside and Kingston the opportunity to play basketball.

The MBA has produced several athletes who have furthered their achievements at a state level and international college level. The MBA also features an outstanding Referee Program, Coach Program and Scoring/Statistician Program offering employment opportunities and a way to stay involved within the sport.

Moorabbin Area Toy Library (MATL)

Community Bank Highett provided a grant to the Moorabbin Area Toy Library to support the STEM Toys for Curious Kids project. This initiative will enable MATL to expand its collection of Science, Technology, Engineering, and Mathematics (STEM) toys, aimed at encouraging children aged 1 to 10 years to explore, create, learn, and innovate through play.

The project will offer members an engaging selection of STEM toys designed to spark curiosity and develop essential skills such as problem-solving, teamwork, and creative thinking. By interacting with these innovative toys, children will be empowered to tackle challenges and make meaningful contributions to our modern world.



Community Impact Stories (continued)

Rotary Club of Brighton

Community Bank Highett has entered into a 3 year agreement to sponsor Rotary Club of Brighton events that raise money to support charities and community organisations providing support to disadvantaged children and young people.

Events this year have included:

Great Bayside Swim

In January 2025 Great Bayside Swim was a true celebration of community spirit. Some 70 Rotarians and their partners, sponsors and families were on hand to help with the over 300 participants. The event was supported by a host of sponsors, including Community Highett Bank.

The real winners of the day were the Rotary charities. The event raised \$47,000 which will go back into the community for Rotary charities including Bayside Community Information and Support Inc (BayCISS) and Brighton Lifesavers Youth programs.



Triumph of Good Incorporated

Community Bank Highett has recently approved a grant for "Finding Your Voice," a 16-week singing workshop tailored for the local Bayside community. These singing sessions aim to support the well-being and social connections of participants aged 50 and above. Community members are encouraged to relax, sing, and connect with others, with no prior singing experience required.



Windana

Windana provides services across Victoria for adults and young people experiencing alcohol and other drug harms, family violence, mental health challenges and social disadvantage.

Community Bank Highett is proud to support Windana by funding the development of a music room at the TaskForce Youth Hub in Moorabbin. This soundproof space is designed for counselling sessions, innovative music therapy, enhancing opportunities for recording and education. Thanks to this funding, essential music software and equipment has also been acquired, empowering individuals to express themselves and heal through music.

Brighton District Cricket Club

Community Bank Highett has funded three new scoreboards for Brighton District Cricket Club. The old scoreboards were falling apart and a source of frustration for both the players and opponents. The new scoreboards are easy to use and a great advertisement for both the club and Community Bank Highett. Additionally, funding supported new equipment including cricket balls.



Directors' report

For the year ended 30 June 2025

Directors' Meetings

During the 2024-25 year, 11 Directors meetings were held. Attendance by each Director was as follows:

Director	Meetings as Director	Meetings attended	Director details
Paul Reid	11	10	Director since August 2022
Susan Smith	11	11	Director since March 2021
Frank Warner	11	10	Director since November 2023
Bradley Price	11	11	Director since November 2023
Isobel Santos	11	10	Director since November 2023
Joseph McFadries	8	7	Director from November 2023 till April 2025
Nicole Bourman	8	6	Director since October 2024
Jenana Roper	8	8	Director since October 2024
Stephen Hewett	8	7	Director since October 2024

Directors are involved in Board Committees and Working Groups that meet throughout the year, as follows:

Committees: Growth and Partnerships; Branch Performance; Governance, Finance, Risk and Assets; and People and Culture.

Working Groups: Premises Working Group.

These meetings involve the discussion of specific topics. Business of the Governance, Finance, Risk and Assets Committee was conducted in the Board meeting. Where decisions are required, recommendations are presented to the Board of Directors and dealt with at the regular Director meetings. Directors effectively make all decisions at the regular Director's meetings, hence attendance at 'Committee' meetings has not been disclosed.

Operating Result

The profit of the company for the financial year after providing for community returns, sponsorship and income tax amounted to:

Financial Year Ended	30 June 2024	30 June 2025
Net Profit after Tax	\$374,672	\$264,283

Principal Activities

The principal activities of the company during the course of the year were Financial Services. No significant change in the nature of these activities occurred during the year.

After Reporting Date Events

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

Future Developments

The company expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Directors' report (continued)

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory in Australia.

Dividends

A fully franked dividend was paid during the period for the 2024 year. In line with our constitution the Board has determined that a 10 cents per share fully franked dividend will be paid for the 2025 financial year.

Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Directors' Interests in Shares of the Company or Related Bodies Corporate

The particulars of shares held by the directors of the company in the company or in related bodies corporate have been noted and are declared in the register of directors' shareholdings.

Directors' Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company 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. Director reimbursements and honorariums are paid to compensate for expenses incurred.

Indemnification and Insurance of Directors and Officers

The company has indemnified all directors and the manager in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or manager of the company except where the liability arises out of conduct involving the lack of good faith. Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance. The company has not provided any insurance for the auditor of the company or a related body corporate.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or 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 any part of those proceedings.

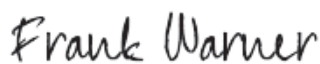
Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been included in this report.

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



Paul Reid, Director/Chairperson



Frank Warner, Director/Treasurer

Date: 22 September 2025

Auditor's independence declaration



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Bendigo, Victoria
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admin@rsdaudit.com.au
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Auditors Independence Declaration under section 307C of the *Corporations Act 2001* to the Directors of Highett Community Financial Services Limited.

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Highett Community Financial Services Limited. As the lead audit partner for the audit of the financial report for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) Any applicable code of professional conduct in relation to the audit.

RSD Audit

A handwritten signature in dark ink, appearing to be 'Katie' or 'Kathie', written over a light grey circular background.

Kathie Teasdale
Managing Director
41A Breen Street
Bendigo VIC 3550

Dated: 23 September 2025

Directors' declaration

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED For the year ended 30 June 2025

The directors of the company declare that:

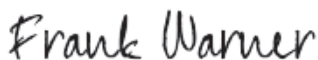
1. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
2. In the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.
3. The information disclosed in the attached consolidated entity disclosure statement is true and correct.

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



Paul Reid

Director/Chairperson



Frank Warner

Director/Treasurer

Date: 22 September 2025

Financial statements

Statement of Profit or Loss and Other Comprehensive Income

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED For the year ended 30 June 2025

	NOTES	2025	2024
Revenue			
Revenue from Ordinary Activities	4	1,506,165	1,591,636
Total Revenue		1,506,165	1,591,636
Expenses			
Community Returns (Donations & Grants)		(52,632)	(62,685)
Sponsorship		(140,695)	(178,223)
Marketing Expenses		(29,391)	(15,950)
Employee and Associated Costs		(628,692)	(530,959)
Occupancy and Associated Costs		(41,628)	(42,739)
System Costs		(42,320)	(37,084)
Depreciation and Amortisation	5	(79,767)	(79,824)
General Administration Expenses		(97,644)	(100,666)
Interest Expense	6	(39,448)	(41,695)
Total Expenses		(1,152,218)	(1,089,825)
Profit/(Loss) before Taxation		353,948	501,811
Income Tax Expense			
Income Tax Expense	7	(89,665)	(127,140)
Total Income Tax Expense		(89,665)	(127,140)
Net Profit After Tax		264,283	374,672
Dividends Provided For or Paid			
Dividends Provided For or Paid	8	(46,418)	(46,418)
Total Dividends Provided For or Paid		(46,418)	(46,418)
Other Appropriations			
Other Appropriations		-	10,000
Total Other Appropriations		-	10,000
Net Profit After Tax & Dividends		217,866	338,254

The accompanying notes form part of these financial statements.

Statement of Financial Position

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED

As at 30 June 2025

	NOTES	30 JUNE 2025	30 JUNE 2024
Assets			
Current Assets			
Cash and Cash Equivalents	9	323,416	515,775
Receivables	10	123,752	142,992
Financial Assets	11	1,668,207	1,165,018
Other Current Assets	12	3,024	2,853
Total Current Assets		2,118,399	1,826,638
Non-Current Assets			
Property, Plant and Equipment	13	149,396	141,721
Right-of-use Asset	14	608,059	665,065
Intangibles	15	9,972	24,473
Deferred Tax Asset	16	82,036	70,666
Total Non-Current Assets		849,463	901,925
Total Assets		2,967,863	2,728,562
Liabilities			
Current Liabilities			
Payables	17	19,976	23,895
Provisions	18	49,956	40,916
Accrued Expenses	19	53,390	18,005
Taxation	20	29,611	3,492
Property Lease Liability	21	54,061	49,577
Total Current Liabilities		206,994	135,884
Non-Current Liabilities			
Provisions	18	12,183	7,798
Property Lease Liability	21	811,161	865,222
Total Non-Current Liabilities		823,344	873,020
Total Liabilities		1,030,338	1,008,904
Net Assets		1,937,524	1,719,659
Equity			
Share Capital	22	464,175	464,175
Retained Earnings	23	1,473,349	1,255,484
Total Equity		1,937,524	1,719,659

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED

For the year ended 30 June 2025

	ISSUED CAPITAL	ACCUMULATED PROFITS	TOTAL EQUITY
Transactions - 2024			
Balance as at 1 July 2023	464,175	917,229	1,381,404
Total comprehensive income for the year	-	374,672	374,672
Transfer to Highett Youth Club Liability from Accumulated Profit	-	10,000	10,000
Dividends provided for or paid	-	(46,417)	(46,417)
Balance as at 30 June 2024	464,175	1,255,484	1,719,659

	ISSUED CAPITAL	ACCUMULATED PROFITS	TOTAL EQUITY
Transactions - 2025			
Balance as at 1 July 2024	464,175	1,255,484	1,719,659
Total comprehensive income for the year	-	264,283	287,278
Dividends provided for or paid	-	(46,418)	(46,418)
Balance as at 30 June 2025	464,175	1,473,349	1,937,524

The accompanying notes form part of these financial statements.

Statement of Cash Flows

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED

For the year ended 30 June 2025

	2025	2024
Operating Activities		
Receipt from Customers	1,612,672	1,730,594
Payments to Suppliers and Employees	(1,113,155)	(1,058,432)
Interest Received	58,611	43,809
Interest and other costs of finance paid	(53,490)	(55,122)
Income Tax Refunded/(Paid)	(73,002)	(357,688)
Net Cash Flows from Operating Activities	431,637	303,161
Investing Activities		
Proceeds from Sale of Investments	280,854	8,110
Payment for Property, Plant and Equipment	(15,936)	(1,827)
Payment for Investments	(784,043)	(43,809)
Net Cash Flows from Investing Activities	(519,125)	(37,526)
Financing Activities		
Repayment of leases	(58,453)	(53,997)
Dividends provided for or paid	(46,418)	(46,418)
Net Cash Flows from Financing Activities	(104,870)	(100,414)
Net Cash Flows	(192,359)	165,221
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	515,775	350,555
Cash and cash equivalents at end of period	323,416	515,775
Net change in cash for period	(192,359)	165,221

The accompanying notes form part of these financial statements.

Statement of Cash Flows - Note 1

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED

For the year ended 30 June 2025

1. Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

Cash at the end of the year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	2025	2024
Cash and Cash Equivalents		
1201 - General Cheque A/C	237,461	435,137
1202 - Market Development A/C	785	785
1203 - Manager's Visa A/C	2,449	2,247
1205 - Staff Expenses Account	76	934
1206 - Everyday Business A/C	81,824	75,824
1207 - Dividend Payments A/C	778	806
1208 - Chairperson's Expense Account	20	20
Petty Cash	23	23
Total Cash and Cash Equivalents	323,416	515,775

The accompanying notes form part of these financial statements.

Statement of Cash Flows - Note 2

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED

For the year ended 30 June 2025

2. Reconciliation Of Net Cash Provided By/Used In Operating Activities To Net Profit

	2025	2024
Net cash provided by Operating Activities		
Profit from ordinary activities after tax	264,283	374,672
Non Cash Items:		
Depreciation	3,628	3,689
Amortisation	76,139	76,135
Changes in assets/(liabilities)		
Increase/(decrease) in Tax Liabilities	34,995	(166,669)
Other		
(Increase)/decrease in Receivables	19,240	29,328
(Increase)/decrease in Deferred Tax Asset	(11,370)	(2,632)
Increase/(decrease) in Payables	(4,090)	(14,553)
Increase/(decrease) in Accrued Expenses	35,385	1,329
Increase/(decrease) in Provisions	13,427	1,862
Total Net cash provided by Operating Activities	431,637	303,161

The accompanying notes form part of these financial statements.

Notes to the financial statements

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED

For the year ended 30 June 2025

1. General Information

Basis of preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB), and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of Highett Community Financial Services Limited (the Company). For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

The presentation currency used in these financial statements is Australian dollars (\$). Amounts in these financial statements are stated in Australian dollars unless otherwise noted.

Statement of compliance

The Company does not have 'public accountability' as defined in AASB 1053 *Application of Tiers of Australian Accounting Standards* and is therefore eligible to apply the 'Tier 2' reporting framework under Australian Accounting Standards.

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards – Simplified Disclosures.

Rounding off of amounts

The company is a company of the kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191*, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in this directors' report are rounded off to the nearest dollar, unless otherwise indicated. There may be minor discrepancies to the totals due to rounding.

Economic Dependency - Bendigo and Adelaide Bank Limited

The company has entered into a franchise agreement with Bendigo and Adelaide Bank Limited that governs the management of the Community Bank® branch at Highett, Victoria. The branch operates as a franchise of Bendigo and Adelaide Bank Limited, using the name "Bendigo Bank" and the logo and system of operations of Bendigo and Adelaide Bank Limited.

The company manages the Community Bank® branch on behalf of Bendigo and Adelaide Bank Limited, however all transactions with customers conducted through the Community Bank® branches are effectively conducted between the customers and Bendigo and Adelaide Bank Limited.

All deposits are made with Bendigo and Adelaide Bank Limited, and all personal and investment products are products of Bendigo and Adelaide Bank Limited, 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 and Adelaide Bank Limited, must be approved by Bendigo and Adelaide Bank Limited. All credit transactions are made with Bendigo and Adelaide Bank Limited, and all credit products are products of Bendigo and Adelaide Bank Limited.

Bendigo and Adelaide Bank Limited provides significant assistance in establishing and maintaining the Community Bank® branch 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.

Notes to the financial statements (continued)

Revenue from Contracts with Customers

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

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

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

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

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

Revenue Calculation

The revenue earned by the Company is dependent on the business that it generates. It may also be affected by other factors, such as economic and local conditions, for example, interest rates.

The revenue earned by the Company is dependent on the business that it generates. It may also be affected by other factors, such as economic and local conditions, for example, interest rates.

Margin

Margin is arrived at through the following calculation:

Interest paid by customers on loans, less interest paid to customers on deposits
plus
Deposit returns (i.e. interest return applied by BABL on deposits)
minus
Any costs of funds (i.e. interest applied by BABL to fund a loan)

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

Commission

Commission revenue is in the form of commission generated for products and services sold. This commission is recognised at a point in time which reflects when the Company has fulfilled its performance obligation.

Notes to the financial statements (continued)

The Company receives trailing commission for products and services sold. Ongoing trailing commission payments are recognised on receipt as there is insufficient detail readily available to estimate the most likely amount of income without a high probability of significant reversal in a subsequent reporting period. The receipt of ongoing trailing commission income is outside the control of the company, and is a significant judgement area.

Fee Income

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

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 and Adelaide Bank may change the form and amount of financial return that the Company receives. The reasons it may make a change include changes in industry or economic conditions or changes in the way Bendigo and Adelaide Bank earns revenue.

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

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

Leases

As Lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for leases of property the company has elected not to separate lease and non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the costs of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company determines its incremental borrowing rate by obtaining interest rates from funding sources and where necessary makes certain adjustments to reflect the terms of the lease and type of asset leased.

Notes to the financial statements (continued)

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual guarantee; and
- the exercise price under a purchase option the Company is reasonably certain to exercise, lease payments in an option renewal period if the company is reasonably certain to exercise that option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term Leases & Leases of Low-value Assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of short-term leases and low-value assets, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

A short-term lease is a lease that, at commencement date, has a lease term of 12 months or less.

As Lessor

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

Information about the Company

Highett Community Financial Services Ltd is a company limited by shares, incorporated and domiciled in Australia.

The registered office and principal place of business are:

Registered Office & Principal Place of Business

322-324 Highett Road
Highett VIC 3190

2. Financial Risk Management

The company's activities expose it to a limited variety of financial risks: market risk, price risk, credit risk, liquidity risk and cash flow interest rate risk.

Market Risk

The company has no exposure to any transactions denominated in a currency other than Australian dollars.

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

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

Notes to the financial statements (continued)

Liquidity Risk

Prudent liquidity management implies maintaining sufficient cash and marketable securities and the availability of funding from credit facilities. The company believes its sound relationship with Bendigo and Adelaide Bank Limited mitigates this risk significantly.

Cash Flow Interest Rate Risk

Interest-bearing assets are held with Bendigo and Adelaide Bank Limited and subject to movements in market interest. Interest-rate risk could also arise from long-term borrowings. Borrowings issued at variable rates expose the company to cash flow interest-rate risk. The company believes that its sound relationship with Bendigo and Adelaide Bank Limited mitigates this risk significantly.

3. Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Taxation

Judgement is required in assessing whether deferred tax assets and certain tax liabilities are recognised on the balance sheet. Deferred tax assets, including those arising from unrecouped tax losses, capital losses and temporary differences, are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits.

Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future sales volumes, operating costs, capital expenditure, dividends and other capital management transactions. Judgements are also required about the application of income tax legislation.

These judgements and assumptions are subject to risk and uncertainty, hence there is a possibility that changes in circumstances will alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognised on the balance sheet and the amount of other tax losses and temporary differences not yet recognised. In such circumstance, some or all of the carrying amount of recognised deferred tax assets and liabilities may require adjustment, resulting in corresponding credit or charge to the statement of comprehensive income.

Estimation of Useful Lives of Assets

The estimation of the useful lives of assets has been based on historical experience and the condition of the asset is assessed at least once per year and considered against the remaining useful life. Adjustments to useful lives are made when considered necessary.

Impairment of Assets

At each reporting date, the directors review the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the assets fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement. Where it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

Notes to the financial statements (continued)

	2025	2024
4. Revenue from Ordinary Activities		
Gross Margin Income	1,354,346	1,456,103
Upfront Product Commission	13,946	15,129
Trailer Product Commission	21,072	14,680
Fee Income	60,082	55,932
Interest	56,719	49,792
Total Revenue from Ordinary Activities	1,506,165	1,591,636

	2025	2024
5. Depreciation and Amortisation		
Amortisation	76,139	76,135
Depreciation	3,628	3,689
Total Amortisation / Depreciation	79,767	79,824

	2025	2024
6. Interest Expense		
Make-good interest	268	256
Right-of-use interest	39,181	41,255
Interest Expense	-	183
Total Interest Expense	39,448	41,695

Notes to the financial statements (continued)

7. Income Tax Expense

Income tax expense comprises current and deferred tax.

	2025	2024
Amounts recognised in profit or loss		
Current tax expense / (credit)		
Current tax	101,035	129,772
Movement in deferred tax	(11,370)	(2,632)
Total Current tax expense / (credit)	89,665	127,140

The prima facie tax payable on profit from ordinary activities before income tax is reconciled to the income tax as follows:

	2025	2024
Prima face income tax reconciliation		
Operating profit before taxation		
Operating profit before taxation	353,948	501,811
Prima Facie Tax on profit from ordinary activities		
Prima Facie Tax on profit from ordinary activities @ 25% (2024: 25%)	88,487	125,453
Tax effect of:		
Non deductible expenses	1,178	1,677
Temporary differences	11,370	2,642
Movement in deferred tax	(11,370)	(2,632)
Income tax expense	89,665	127,140

Notes to the financial statements (continued)

	2025	2024
8. Dividends Provided For or Paid		
Dividends Provided For or Paid	46,418	46,418
Total Dividends Provided For or Paid	46,418	46,418
	2025	2024
9. Cash and Cash Equivalents		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the below figures:	-	-
Bank Accounts	323,416	515,775
Total Cash and Cash Equivalents	323,416	515,775
	2025	2024
10. Receivables		
Profit Share Receivables	110,384	127,732
Accrued Interest Receivable	13,368	15,260
Total Receivables	123,752	142,992
	2025	2024
11. Financial Assets		
Term Deposits	932,632	1,165,018
Other Cash Investment Accounts	735,575	-
Total Financial Assets	1,668,207	1,165,018
	2025	2024
12. Other Current Assets		
AFS & Associates - Dividend Account	3,024	2,853
Total Other Current Assets	3,024	2,853

Notes to the financial statements (continued)

	2025	2024
13. Property Plant and Equipment		
Leasehold Improvements		
At Cost	260,901	246,530
Less Accumulated Depreciation	(115,595)	(108,940)
Total Leasehold Improvements	145,306	137,590
Plant and Equipment		
At Cost	47,247	45,682
Less Accumulated Depreciation	(43,157)	(41,552)
Total Plant and Equipment	4,090	4,130
Total Property Plant and Equipment	149,396	141,721

14. Right-of-use Assets

Right-of-use assets are measured at amounts equal to the present value of enforceable future payments on the adoption date, including the impact of exercising the options.

The company derecognises right-of-use assets at the termination of the lease period or when no future economic benefits are expected to be derived from the use of the underlying assets.

	2025	2024
Right-of-use Assets		
Right-of-use asset	1,169,233	1,169,233
Accumulated amortisation on right-of-use asset	(561,174)	(504,168)
Total Written Down Value	608,059	665,065

	2025	2024
15. Intangibles		
Franchise Fees		
At Cost	72,505	72,505
Less Accumulated Amortisation	(62,533)	(48,032)
Total Franchise Fees	9,972	24,473
Total Intangibles	9,972	24,473

Notes to the financial statements (continued)

16. Deferred Tax Assets

Movement in the company's deferred tax balances for the current year.

	30 June 2024	Recognised in Profit or Loss	30 June 2025
<i>Deferred Tax Asset</i>			
Employee provisions	10,684	3,290	13,974
Make-good provisions	1,495	67	1,562
Lease liability	228,700	(12,394)	216,306
Accrued expenses	4,501	8,846	13,347
Total Deferred Tax Assets	245,380	(191)	245,189
<i>Deferred Tax Liabilities</i>			
Right-of-use assets	166,266	(14,251)	152,015
Accrued interest	3,815	(473)	3,342
Property, Plant & Equipment	4,633	3,163	7,796
Total Deferred Tax Liabilities	174,714	(11,561)	163,153
Net Deferred Tax Assets	70,666	11,370	82,036

Notes to the financial statements (continued)

	2025	2024
17. Payables		
Current		
Trade Creditors	8,318	(1,668)
PAYG Withholding Payable	8,634	8,208
Unclaimed Dividend Monies	3,024	2,853
Franchise Renewal Fee via Revenue Share	-	14,501
Total Current	19,976	23,895
Total Payables	19,976	23,895

18. Provisions

	2025	2024
Provisions		
Current liabilities		
Provision for Holiday Pay	34,425	28,132
Provision for Long Service Leave	15,531	12,784
Total Current liabilities	49,956	40,916
Non-current liabilities		
Provision for Long Service Leave	5,940	1,822
Make-good on leased premises	6,243	5,976
Total Non-current liabilities	12,183	7,798
Total Provisions	62,139	48,714

As at the reporting date, the make-good of the leased premises is not expected to be wholly settled within 12 months. The balance is classified as non-current.

	2025	2024
Make-good provision		
Face-value of make-good costs recognised	10,000	10,000
Present value discounting	(4,025)	(4,280)
Make-good interest	268	256
Total Make-good provision	6,243	5,976

Notes to the financial statements (continued)

	2025	2024
19. Accrued Expenses		
Accrued Salaries & Wages	43,510	12,153
Accrued Expenses	5,179	1,451
Provision for Audit Fees	4,700	4,400
Total Accrued Expenses	53,390	18,005
	2025	2024
20. Taxation		
GST	690	2,604
Provision For Taxation	904	(42,283)
Other Creditors - ATO	28,017	43,170
Total Taxation	29,611	3,492

Notes to the financial statements (continued)

21. Lease Liabilities

Lease liabilities were measured at amounts equal to the present value of enforceable future payments of the term reasonably expected to be exercised, discounted at the appropriate incremental borrowing rate on the adoption rate. The discount rate used on recognition was 4.39%.

The discount rate used in calculating the present value of enforceable future payments takes into account the particular circumstances applicable to the underlying leased assets (including the amount, lease term, economic environment, and other relevant factors).

The company has applied judgement in estimating the remaining lease term including the effects of any extension or termination options reasonably expected to be exercised, applying hindsight, where appropriate.

Lease liability measurement

Where the company is a lessee for the premises to conduct its business, extension options are included in the lease term except where the company is reasonably certain not to 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 demised leased premises.

	2025	2024
Current Lease Liabilities		
Property Lease Liabilities	90,977	88,758
Unexpired interest	(36,915)	(39,181)
Total Current Lease Liabilities	54,061	49,577
	2025	2024

Non Current Lease Liabilities

Property Lease Liability	1,005,265	1,096,242
Unexpired Interest	(194,104)	(231,019)
Total Non Current Lease Liabilities	811,161	865,222
	2025	2024

Maturity Analysis

Undiscounted Lease Payments		
Not later than 12 months	90,977	88,758
Between 12 months and 5 years	490,158	377,781
Greater than 5 years	515,107	718,460
Total Undiscounted Lease Payments	1,096,242	1,184,999
Unexpired Interest	(231,019)	(270,200)
Present Value of Lease Liabilities	865,222	914,799

Notes to the financial statements (continued)

	2025	2024
22. Contributed Capital		
Issued & Paid Up Capital	464,175	464,175
Total Contributed Capital	464,175	464,175

Ordinary shares at \$1.00 each fully paid.

Ordinary shares participate in dividends and the proceeds on winding up of the company in proportion to the number of shares held.

At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

23. Accumulated Profits

Financial Year	2024	2023
Balance at beginning of reporting period	1,255,484	917,230
Transfer from/to Reserve from Accumulated Profits	-	-
Transfer from Accumulated Profit to Non Current Liability	-	10,000
Dividends Provided For or Paid	(46,418)	(46,418)
Net Profit after Tax	264,283	374,672
Balance at the reporting date	1,473,349	1,255,484

24. Superannuation Commitments

The entity participated in several Industry Superannuation Funds to provide benefits to employees on retirement, death or disability. Benefits provided under the plan are based on accumulated contributions and earnings for each employee.

Employees contribute various percentages of their gross income and the company also contributes at the rate of 12%.

25. Auditor's Remuneration

Remuneration of the auditor of the company for preparation of the annual audit report:

Financial Year	2025	2024
Auditor's Remuneration	6,600	6,200

Notes to the financial statements (continued)

26. Key Management Personnel Disclosures

The following honorarium payments were made to Directors:

Amount	Number of Directors
\$0	4
\$1 - \$500	-
\$501 - \$1,000	2
\$1,001 - \$1,500	3

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

27. Events Occurring After the Reporting Date

There have been no events after the end of the financial year that would materially affect the financial statements.

28. Contingent Liabilities

There were no contingent liabilities at the date of this report to affect the financial statements.

29. Statement of Significant Accounting Policies

The financial report has been prepared on an accrual basis and under the historical cost convention, except for certain assets, which, as noted, have been written down to fair value as a result of impairment. Unless otherwise stated, the accounting policies adopted are consistent with those of the prior year.

The accounting policies that have been adopted in the preparation of the statements are as follows:

Revenue

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefit will flow to the company and any specific criteria have been met. Interest and fee revenue are recognised when earned. The gain or loss on disposal of property, plant and equipment is recognised on a net basis and is classified as income rather than revenue. All revenue is stated net of the amount of Goods and Services Tax (GST).

The franchise agreement with Bendigo and Adelaide Bank Limited provides for three types of revenue earned by the company. First, the company is entitled to 50% of the monthly gross margin earned by Bendigo and Adelaide Bank Limited on products and services provided through the company that are regarded as “day to day” banking business. This arrangement also means that if the gross margin reflects a loss (that is, the gross margin is a negative amount), the company effectively incurs, and must bear, 50% of that loss.

The second source of revenue is commission paid by Bendigo and Adelaide Bank Limited on the other products and services provided through the company. The commission is currently payable on various specified products and services, including insurance, financial planning, common fund, Sandhurst Select, superannuation, commercial loan referrals, leasing referrals, fixed loans and certain term deposits (>90 days). The amount of commission payable can be varied in accordance with the Franchise Agreement (which, in some cases, permits commissions to be varied at the discretion of Bendigo and Adelaide Bank Limited). This discretion has been exercised on several occasions previously. For example, in February 2011 and February 2013 Bendigo and Adelaide Bank Limited reduced commissions on two core banking products to ensure a more even distribution of income between Bendigo and Adelaide Bank Limited and its Community Bank[®] partners. The revenue share model is subject to regular review to ensure that the interests of Bendigo and Adelaide Bank Limited and Community Bank[®] companies remain balanced.

The third source of revenue is a proportion of the fees and charges charged to customers. This proportion, determined by Bendigo and Adelaide Bank Limited, may vary between products and services and may be amended by Bendigo and Adelaide Bank Limited from time to time.

Notes to the financial statements (continued)

Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of reporting year. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (or recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax assets and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of profit or loss when the tax relates to items that are recognised outside profit or loss.

Employee Benefits

Provision is made for the liability for employee entitlements arising from services rendered by employees to balance date. Employee entitlements expected to be settled within one year together with entitlements arising from wages and salaries, annual leave and sick leave which will be settled after one year, have been measured at their nominal amount. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash out flows to be made for those entitlements.

Contributions are made by Highbett Community Financial Services Limited to an employee superannuation fund and are charged as expenses when incurred.

Cash and Cash Equivalents

Cash and Cash Equivalents includes cash on hand, deposits held at call with banks or financial institutions, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts i.e. investments which are readily convertible to known amounts of cash and subject to an insignificant risk of change in value.

Trade Receivables and Payables

Receivables are carried at their amounts due. The collectability of debts is assessed at reporting date and specific provision is made for any doubtful accounts. Liabilities for trade creditors and other amounts are carried at cost that is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the company.

Property, Plant and Equipment

Each class of plant and equipment and leasehold improvements are carried at cost less, where applicable, any accumulated depreciation and impairment losses.

The cost of the Leasehold Improvements includes all costs paid to contractors for provision of the improvements. Subsequent costs are included in the asset's carrying amount recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

The depreciable amount of all fixed assets including capitalised leased assets, is depreciated on a diminishing value basis over their useful lives to Highbett Community Financial Services Limited commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement.

Notes to the financial statements (continued)

The following estimated useful lives are used in the calculation of depreciation:

- Leasehold Improvements	40 Years
- Plant and Equipment	2.5 - 40 Years

Intangibles

The Franchise Fee paid to Bendigo and Adelaide Bank Limited has been recorded at cost and is amortised on a straight line basis over the life of the franchise agreement.

Leases

Our branch operating premises at 322 - 324 Highett Road, Highett VIC 3190 are currently leased until 18th March 2026 with a further 2 options of 5 years. The next review date is 18th March 2026.

Provisions

Provisions are recognised when Highett Community Financial Services Limited has a legal or constructive obligation, as a result of past events, for which it is probable that the outflow of economic benefit will result and that the outflow can be measured reliably.

A provision of dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

Contributed Equity

Ordinary shares are recognised at the fair value of the consideration received by the company.
All Ordinary Shares were issued at \$1.00 per share.

Capital Management

The board's policy is to maintain a strong capital base so as to sustain future development of the company. The board of directors monitor the return on capital and the level of dividends to shareholders. Capital is represented by equity as recorded in the balance sheet.

In accordance with the franchise agreement, the funds distributed to shareholders shall not exceed the distribution limit of 20% of available profit for distribution for any 12 month period.

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

Goods and Service Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables in the balance sheet are shown inclusive of GST. Cash flows are presented in the Statement of cash flows statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

Consolidated Entity Disclosure Statement

HIGHETT COMMUNITY FINANCIAL SERVICES LIMITED **For the year ended 30 June 2025**

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

Highett Community Financial Services Limited has no controlled entities, and therefore is not required by Australian Accounting Standards to prepare consolidated financial statements. As a result, section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

Independent audit report



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HIGHTETT COMMUNITY FINANCIAL SERVICES LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Hightett Community Financial Services Limited (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, the consolidated entity disclosure statement and other explanatory information, and the directors' declaration.

In our opinion the accompanying financial report of Hightett Community Financial Services Limited Limited 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 2025 and of its financial performance and its cash flows for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Entity in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's *APES 110 Code of Ethics* for Professional Accountants (including Independence Standards) 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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Director's Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of:

- (i) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- (ii) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- (iii) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- (iv) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Company 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 to cease operations, or have no realistic alternative but to do so.

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Other Information

Those charged with governance are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Auditor's Responsibility for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. 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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

We identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Independence

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

RSD Audit

Chartered Accountants

A handwritten signature in dark ink, appearing to be 'Katie' or 'Kathie' with a stylized flourish at the end.

Kathie Teasdale

Managing Director

Bendigo

Dated: 22 September 2025

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