Annual Report
2025

Kyabram & District Community Limited

Community Bank Kyabram & District

ABN 79 605 600 217

Contents

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www.bendigobank.com.au/branch/vic/community-bank-kyabram-district/
www.facebook.com/communitybankkyabram
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Chair's report

In my report last year, I commented on the process of restructure and renewal which we've been undertaking with Community Bank Kyabram & District. Our objective is to have all the resources in place to drive the business forward and make more substantial investments in our community in the future. Accordingly, we now have the following key support specialists in place to assist the branch staff and board in ensuring the business is run professionally and efficiently, whilst constantly focusing on future growth:

- Marketing Lead – Sam Elshaug
- Community Engagement Lead – Nattalie Joinbee
- Company Secretary – Michelle Baker
- Bookkeeper – Leo Bruinier

Sam has been with us for over twelve months now and has been steadily building all the resources we require to successfully market our business and grow our profile. We have recently launched new branding and are about unveil our own website. This website will be a key asset in communicating with all our stakeholders – customers, shareholders and community groups. It will also help us to build a database of engaged stakeholders which in turn will allow us to more effectively promote and grow our business.

Nattalie started with us this year and brings a wealth of community engagement experience to our business. Working closely with Sam, she has also spent considerable time establishing the systems and resources required to manage our Community Investment program. Previously, this was all managed by volunteer board directors with little experience in the field, and as a result, we weren't overly successful in leveraging good business growth from our Community Investments. This is all starting to change as Nattalie engages with more community groups and brings a discipline and professionalism to the program.

This is a considerable investment that the board has made in establishing these roles but we see it as absolutely necessary to grow the business and in turn, grow our community investments. As evidenced by our financial reports, the banking environment is becoming increasingly challenging as margins contract and costs increase so business growth is vital and will be our primary focus for the years ahead.

Our branch team led by our manager, Melissa, continue to provide a very high level of service to our customers and I thank them for their commitment. Our branch is one of the better performing Community Banks in the region and that's a reflection of our staff's efforts.

Our Board of Directors has also had some renewal. Rory Kerr and Donna Mulcahy have resigned from the Board after many years of service, and we thank them for their contributions to our business's success. We've been fortunate to have Alicia Cunningham and Dean Ciavarella join the Board recently bringing lots of experience and community knowledge to the business.

Finally, in the year ahead, we have some changes coming as the branch goes through a physical refreshment and expansion. Our goal is to give our customers a better experience when they visit whilst providing our staff with a safer and more productive environment in which to work.

Vincent Curtis
Chair

Manager's report

It is with great pleasure that I present to you the Branch Manager's Report for Community Bank Kyabram & District for the 2024/2025 financial year.

Our key point of difference continues to be the Community Bank model and our unmatched face to face service. Despite 2025 proving to be a tougher and more competitive market, we continued to see strong commitment from our community and positive business growth.

We have had another year of changes to our team, with Cameron Vickers moving into a new role as a Customer Relationship Manager, providing customer focussed Home Lending Services. Similarly, Tess Peacock was appointed as our full-time Customer Relationship Officer, specialising in personal lending and customer relationships. I am immensely proud of the work that both Tess and Cameron have put into their personal development and look forward to watching their achievements and growth.

This year we were incredibly excited to welcome both Sam Elshaug our new Marketing Lead and Nattalie Joinbee, our Customer Engagement Lead. I have been working closely with both Sam and Natt as we move into an exciting period of promoting the Community Bank story and the amazing work achieved by both the Board and the Community Bank teams.

While sadly Brianna Smith moved on due to some exciting personal opportunities, we recently welcomed Lauren Petri and Kristie McKeon to the team, both Customer Service Officers who have relocated to the Kyabram community recently and are eager to learn and get to know our customers.

Results for 2025 were mixed with lower than targeted overall growth of negative $1.8 million due to negative deposit growth of $4.1 million against a target of $6.5 million. A result of a large value term deposit loss, inherited prior to the establishment of the branch, leading to a loss in deposits of close to $14 million in a short period of time. However, support from our community and hard work from the team, achieved new business of close to $9.9 million in new investments over the financial year.

Positively, we saw $5.2 million in lending growth against a target of $2.4 million, attributed to our Home Lending Specialist, available in branch and unmatched by our competitors. We continue to provide specialist home lending services, with competitive products and customer centred focus.

I would like to take the opportunity to thank our shareholders and customers, simply by banking with us you are helping make a real difference. I would also like to express my gratitude to the Board who volunteer their time and services to support myself and the team and allow us to remain committed to providing a high level of service to our customers. On a final note, I would like to take this opportunity to thank Tess, Cameron, Jude and Meaghan for their continued support and service to our community.

Melissa Roberts
Branch Manager

Kyabram & District Community Limited

Financial Statements

ABN: 79 605 600 217

For the year ended 30 June 2025

Directors' Report

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

Directors

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

Vincent Anthony Curtis

Chair, Marketing and Sponsorship Committee

Experience and expertise: Holds a Bachelor of Economics (Business) from Monash University. 10 years as a manager of Abbey Funerals in Melbourne, 15 years as a franchisee of Bakers Delight Kyabram. Vincent is also a past President of Rotary Club of Bundoora.

Ian Thomas Hamono

Finance Committee, Governance Committee

Experience and expertise: Holds a Bachelor of Engineering (Mech). Operates an intensive summer and winter cropping business. Horticulture/landscaping trainer. Retired professional engineer and past school councillor.

Dale Phillip Denham

Marketing and Sponsorship Committee

Experience and expertise: Holds an Associate Diploma of Civil Engineering. Manager/owner of a building design business and a Registered Building Practitioner in Victoria. Committee member of Kyabram Development Group, past member of Kyabram P-12 College.

David James Blake

Marketing and Sponsorship Committee

Experience and expertise: Indentured Fitter and Machinist (15 years Melbourne and Metropolitan Board, 27 years Ky General Engineering). Life member of APEX Australia. Current director of Kyabram Club, past President and member of Dawes Road School Council.

Donna Beverley Mulcahy

Non-executive director

Experience and expertise: General Manager at Water Partners (Aust) Ltd a registered Not for Profit organisation based in Kyabram. Board Director and Vice Chair from 2018-2022 at Kyabram & District Health. HR Manager at Rich River Golf Club. Remuneration & Benefits Manager at Metropolitan Fire Brigade 2015-2018. Acting Human Resources Director at Metropolitan Fire Brigade 2016-2017. Business Manager at Kyabram Community & Learning Centre 2015. MAICD, Certified Payroll Specialist, Mentor.

Lisa Maree McPherson

Non-executive director

Experience and expertise: Certified Financial Planner since 2000 licensed for Investment strategies including gearing and savings plans, Budget and cash flow planning, Superannuation advice, including salary sacrifice and consolidation strategies, Self-Managed Super Funds (SMSF), Personal insurance strategies, Centrelink / DVA advice, Retirement planning advice, Aged Care, Advice on ownership and structures (e.g. discretionary and family trusts), Portfolio review services, Ongoing advisory services and Listed Securities. Master of Financial Planning 2006, Financial Planning Association of Australia (FPA) member, Director Lifestyle Financial Planning Services (2) Pty Ltd (2011-2021), Director Harvest Wealth Pty Ltd (2021 – present), General Committee member – Kyabram Swimming Club (2018 till present). Previous Bank Employee at ANZ and Macquarie Bank.

Dean Ciavarella

Non-executive director (appointed 28 April 2025)

Experience and expertise: N/A

Alicia Cunningham

Non-executive director (appointed 28 April 2025)

Experience and expertise: N/A

Rory John Kerr

Non-executive director (resigned 28 July 2025)

Experience and expertise: Rory holds a Bachelor of Pharmacy from Monash University and owns a local pharmacy. He is also a company director and Justice of the Peace. Rory was a member of the Kyabram Community Bank Steering Committee.

Company Secretary

The company secretary is Michelle Louise Baker. Michelle was appointed to the position of company secretary on 29 November 2016.

Experience and expertise: Michelle is an experienced bookkeeper and holds a Bachelor of Arts and an Advanced Diploma of Business (Marketing).

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 $39,576 (2024: $177,180)

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.

	2025 $	2024 $
Unfranked dividend of 4 cents per share (2024: 8 cents)	34,174	68,349
Unfranked interim dividend of nil cents per share (2024: 5 cents)	-	42,718
	34,174	111,067

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

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

Likely developments

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

Environmental regulation

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

Directors' benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest except as disclosed in note 23 to the financial statements. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

Directors' report (continued)

Meetings of directors

The number of directors meetings (including meetings of committees of directors) attended by each of the directors of the company during the financial year were:

	Board		Marketing & Sponsorship Committee		Finance & Audit Committee		Risk & Governance Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Vincent Anthony Curtis	11	10	5	5	2	1	-	-
Ian Thomas Hamono	11	10	-	-	-	-	-	-
Dale Phillip Denham	11	10	5	5	-	-	-	-
Rory John Kerr	11	3	-	-	-	-	-	-
David James Blake	11	10	-	-	-	-	-	-
Donna Beverley Mulcahy	11	10	-	-	-	-	-	-
Lisa Maree McPherson	11	10	-	-	2	2	1	1
Dean Ciavarella	3	3	-	-	-	-	-	-
Alicia Cunningham	3	3	-	-	-	-	-	-

Eligible: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

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
Vincent Anthony Curtis	25,502	-	25,502
Ian Thomas Hamono	5,001	-	5,001
Dale Phillip Denham	501	-	501
Rory John Kerr	10,001	-	10,001
David James Blake	4,001	-	4,001
Donna Beverley Mulcahy	-	-	-
Lisa Maree McPherson	-	-	-
Dean Ciavarella	-	-	-
Alicia Cunningham	-	-	-

Directors' report (continued)

Shares under option

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

Shares issued on the exercise of options

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

Indemnity and insurance of directors and officers

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

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

Proceedings on behalf of the company

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

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

Indemnity and insurance of auditor

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

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

Non-audit services

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

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

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

Directors' report (continued)

Auditor's independence declaration

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

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

On behalf of the directors

Vincent Anthony Curtis
Chair

8 September 2025

Auditor's independence declaration

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

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

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 08 September 2025

Joshua Griffin
Lead Auditor

Financial statements

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2025

	Note	2025 $	2024 $
Revenue from contracts with customers	6	919,844	915,012
Finance revenue		21,228	19,971
Total revenue		941,072	934,983
Employee benefits expense	7	(466,872)	(420,289)
Advertising and marketing costs		(95,499)	(4,990)
Occupancy and associated costs		(32,801)	(11,425)
System costs		(39,430)	(38,781)
Depreciation and amortisation expense	7	(60,176)	(53,916)
Finance costs	7	(14,706)	(10,021)
General administration expenses		(90,813)	(78,656)
Total expenses before community contributions and income tax expense		(800,297)	(618,078)
Profit before community contributions and income tax expense		140,775	316,905
Charitable donations and sponsorships expense		(87,595)	(83,376)
Profit before income tax expense		53,180	233,529
Income tax expense	8	(13,604)	(56,349)
Profit after income tax expense for the year		39,576	177,180
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		39,576	177,180
		Cents	**Cents**
Basic earnings per share	27	4.63	20.74
Diluted earnings per share	27	4.63	20.74

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

Financial statements (continued)

Statement of financial position

As at June 30 2025

	Note	2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents	9	147,189	246,414
Trade and other receivables	10	92,897	92,389
Investments	11	519,774	415,321
Total current assets		759,860	754,124
Non-current assets			
Property, plant and equipment	12	15,735	34,319
Right-of-use assets	13	157,533	181,470
Intangible assets	14	9,680	22,588
Deferred tax assets	8	52,255	40,348
Total non-current assets		235,203	278,725
Total assets		995,063	1,032,849
Liabilities			
Current liabilities			
Trade and other payables	15	50,122	62,863
Lease liabilities	16	28,159	27,406
Current tax liabilities	8	3,011	39,587
Employee benefits	17	54,774	40,857
Total current liabilities		136,066	170,713
Non-current liabilities			
Lease liabilities	16	116,508	131,438
Employee benefits	17	3,918	1,350
Provisions	18	54,765	50,944
Total non-current liabilities		175,191	183,732
Total liabilities		311,257	354,445
Net assets		683,806	678,404
Equity			
Issued capital	19	835,752	835,752
Accumulated losses		(151,946)	(157,348)
Total equity		683,806	678,404

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

Financial statements (continued)

Statement of changes in equity
For the year ended 30 June 2025

	Note	Issued capital $	Accumulated losses $	Total equity $
Balance at 1 July 2023		835,752	(223,461)	612,291
Profit after income tax expense		-	177,180	177,180
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	177,180	177,180
Transactions with owners in their capacity as owners:				
Dividends provided for	21	-	(111,067)	(111,067)
Balance at 30 June 2024		835,752	(157,348)	678,404

	Note	Issued capital $	Accumulated losses $	Total equity $
Balance at 1 July 2024		835,752	(157,348)	678,404
Profit after income tax expense		-	39,576	39,576
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	39,576	39,576
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	21	-	(34,174)	(34,174)
Balance at 30 June 2025		835,752	(151,946)	683,806

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

Financial statements (continued)

Statement of cash flows
For the year ended 30 June 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,005,854	1,013,167
Payments to suppliers and employees (inclusive of GST)		(885,094)	(701,138)
Interest received		23,722	13,842
Income taxes paid		(62,087)	(35,240)
Net cash provided by operating activities	26	82,395	290,631
Cash flows from investing activities			
Payments for investments		(104,453)	(34,015)
Payments for property, plant and equipment		(1,207)	-
Payments for intangible assets		(13,183)	(13,183)
Net cash used in investing activities		(118,843)	(47,198)
Cash flows from financing activities			
Interest and other finance costs paid		(10,885)	(10,011)
Dividends paid	21	(34,174)	(111,067)
Repayment of lease liabilities		(17,718)	(17,161)
Net cash used in financing activities		(62,777)	(138,239)
Net increase/(decrease) in cash and cash equivalents		(99,225)	105,194
Cash and cash equivalents at the beginning of the financial year		246,414	141,220
Cash and cash equivalents at the end of the financial year	9	147,189	246,414

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

Notes to the financial statements

For the year ended 30 June 2025

Note 1. Reporting entity

The financial statements cover Kyabram & District Community 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 Albion Arcade Shop 1, 171 Allan Street, Kyabram VIC 3620.

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 1 August 2025. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

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

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

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

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

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

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

Note 3. Material accounting policy information (continued)

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

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

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

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

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

Note 4. Critical accounting judgements, estimates and assumptions

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

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

Judgements

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

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

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

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

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

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

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 operations, comparison of terms and conditions to prevailing market rates, incurrence of significant penalties, existence of significant leasehold improvements and the costs and disruption to replace the asset. The company reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

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

Estimates and assumptions

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

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

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

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

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

Lease make good provision
A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

Note 5. Economic dependency

The company is economically dependent on its franchise agreement with Bendigo Bank to generate revenue. The current agreement is set to expire within 12 months from the date of this financial report, on 17 March 2026, with a further five-year term available under the existing agreement

The financial report has been prepared on a going concern basis, as the directors have a reasonable expectation that a new agreement will be entered into on mutually acceptable terms and conditions before the expiration of the current franchise agreement.

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

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

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

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

Bendigo Bank provides significant assistance in establishing and maintaining the Community Bank franchise operations. It also continues to provide ongoing management and operational support and other assistance and guidance in relation to all aspects of the franchise operation, including advice and assistance in relation to:
- the design, layout and fit out of the Community Bank premises
- training for the branch manager and other employees in banking, management systems and interface protocol
- methods and procedures for the sale of products and provision of services
- security and cash logistic controls
- calculation of company revenue and payment of many operating and administrative expenses
- the formulation and implementation of advertising and promotional programs
- sales techniques and proper customer relations
- providing payroll services.

Note 6. Revenue from contracts with customers

	2025 $	2024 $
Margin income	811,178	821,979
Fee income	56,043	50,533
Commission income	52,623	42,500
	919,844	915,012

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

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

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

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

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

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

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

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

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

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

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

Note 6. Revenue from contracts with customers (continued)

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

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

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

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

Note 7. Expenses

Employee benefits expense

	2025 $	2024 $
Wages and salaries	396,497	341,197
Superannuation contributions	44,195	37,562
Expenses related to long service leave	8,169	4,979
Other expenses	18,011	36,551
	466,872	420,289

Depreciation and amortisation expense

	2025 $	2024 $
Depreciation of non-current assets		
Leasehold improvements	17,146	17,306
Plant and equipment	2,024	1,855
Furniture and fittings	620	620
	19,790	19,781
Depreciation of right-of-use assets		
Leased land and buildings	27,478	21,228
Amortisation of intangible assets		
Franchise fee	2,151	2,152
Franchise renewal fee	10,757	10,755
	12,908	12,907
	60,176	53,916

Note 7. Expenses (continued)

Finance costs

	2025 $	2024 $
Lease interest expense	10,885	10,021
Unwinding of make-good provision	3,821	-
	14,706	10,021

Note 8. Income tax

	2025 $	2024 $
Income tax expense		
Current tax	25,511	66,667
Movement in deferred tax	(11,907)	(8,285)
Under/over adjustment	-	(2,033)
Aggregate income tax expense	13,604	56,349
Prima facie income tax reconciliation		
Profit before income tax expense	53,180	233,529
Tax at the statutory tax rate of 25%	13,295	58,382
Tax effect of:		
Non-deductible expenses	309	-
	13,604	58,382
Under/over adjustment	-	(2,033)
Income tax expense	13,604	56,349

	2025 $	2024 $
Deferred tax assets/(liabilities)		
Expense accruals	1,175	1,050
Employee benefits	14,673	10,552
Lease liabilities	36,167	39,711
Provision for lease make good	13,691	12,736
Income accruals	(909)	(1,533)
Right-of-use assets	(39,383)	(45,367)
Property, plant and equipment	26,841	23,199
Deferred tax asset	52,255	40,348

	2025 $	2024 $
Provision for income tax	3,011	39,587

Notes to the Financial statements (continued)
For the year ended 30 June 2025

Note 8. Income tax (continued)

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

	2025 $	2024 $
Cash at bank and on hand	147,189	246,414

Note 10. Trade and other receivables

	2025 $	2024 $
Trade receivables	82,275	78,795
Accrued income	3,635	6,129
Prepayments	6,987	7,465
	10,622	13,594
	92,897	92,389

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

Note 11. Investments

	2025 $	2024 $
Current assets		
Term deposits	519,774	415,321

Note 12. Property, plant and equipment

	2025 $	2024 $
Leasehold improvements - at cost	201,704	201,704
Less: Accumulated depreciation	(190,281)	(173,135)
	11,423	28,569
Furniture and fittings - at cost	11,958	11,958
Less: Accumulated depreciation	(10,258)	(9,638)
	1,700	2,320
Plant and Equipment - at cost	27,312	26,106
Less: Accumulated depreciation	(24,700)	(22,676)
	2,612	3,430
	15,735	34,319

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 $	Furniture and fittings $	Total $
Balance at 1 July 2023	45,875	5,285	2,940	54,100
Depreciation	(17,306)	(1,855)	(620)	(19,781)
Balance at 30 June 2024	28,569	3,430	2,320	34,319
Additions	-	1,206	-	1,206
Depreciation	(17,146)	(2,024)	(620)	(19,790)
Balance at 30 June 2025	11,423	2,612	1,700	15,735

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

Depreciation is calculated on a 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	2 to 20 years
Furniture and fittings	2 to 20 years

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

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

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

Note 13. Right-of-use assets

	2025 $	2024 $
Land and buildings - right-of-use	283,596	280,055
Less: Accumulated depreciation	(126,063)	(98,585)
	157,533	181,470

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 2023	167,095
Remeasurement adjustments	35,603
Depreciation expense	(21,228)
Balance at 30 June 2024	181,470
Remeasurement adjustments	3,541
Depreciation expense	(27,478)
Balance at 30 June 2025	157,533

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

	2025 $	2024 $
Franchise fee	20,756	20,756
Less: Accumulated amortisation	(19,143)	(16,992)
	1,613	3,764
Franchise renewal fee	53,782	53,782
Less: Accumulated amortisation	(45,715)	(34,958)
	8,067	18,824
	9,680	22,588

Note 14. Intangible assets (continued)

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 2023	5,916	29,579	35,495
Amortisation expense	(2,152)	(10,755)	(12,907)
Balance at 30 June 2024	3,764	18,824	22,588
Amortisation expense	(2,151)	(10,757)	(12,908)
Balance at 30 June 2025	1,613	8,067	9,680

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)	March 2026
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	March 2026

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

Note 15. Trade and other payables

	2025 $	2024 $
Current liabilities		
Trade payables	27,397	6,909
Other payables and accruals	22,725	55,954
	50,122	62,863

	2025 $	2024 $
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	50,122	62,863
less other payables and accruals (net GST payable to the ATO)	(15,902)	(22,136)
	34,220	40,727

Notes to the Financial statements (continued)
For the year ended 30 June 2025

Note 16. Lease liabilities

	2025 $	2024 $
Current liabilities		
Land and buildings lease liabilities	28,159	27,406
Non-current liabilities		
Land and buildings lease liabilities	116,508	131,438

Reconciliation of lease liabilities

	2025 $	2024 $
Opening balance	158,844	190,141
Remeasurement adjustments	3,541	(14,136)
Lease interest expense	10,885	10,011
Lease payments - total cash outflow	(28,603)	(27,172)
	144,667	158,844

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
Kyabram Branch	7.50%	5 years	1 x 5 years	Yes	February 2031

Note 17. Employee benefits

	2025 $	2024 $
Current liabilities		
Annual leave	25,486	17,170
Long service leave	29,288	23,687
	54,774	40,857
Non-current liabilities		
Long service leave	3,918	1,350

Note 17. Employee benefits (continued)

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

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

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

Note 18. Provisions

	2025 $	2024 $
Lease make good	54,765	50,944

Lease make good
In accordance with the branch lease agreements, the company must restore the leased premises to their original condition before the expiry of the lease term. The company has estimated the provision based on experience and consideration of the expected future costs to remove all fittings and the ATM as well as cost to remedy any damages caused during the removal process. The leases are due to expire per below at which time it is expected the face-value costs to restore the premises will fall due.

Lease	Lease term expiry date per AASB 16	Estimated provisions
Kyabram Branch	February 2031	$82,500

Note 19. Issued capital

	2025 Shares	2024 Shares	2025 $	2024 $
Ordinary shares - fully paid	854,361	854,361	854,361	854,361
Less: Equity raising costs	-	-	(18,609)	(18,609)
	854,361	854,361	835,752	835,752

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 19. 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 239. As at the date of this report, the company had 267 shareholders (2024: 268 shareholders).

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

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

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

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

Note 20. Capital management

The board's policy is to maintain a strong capital base so as to sustain future development of the company. The board 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 21. Dividends

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

	2025 $	2024 $
Unfranked dividend of 4 cents per share (2024: 8 cents)	34,174	68,349
Unfranked interim dividend of nil cents per share (2024: 5 cents)	-	42,718
	34,174	111,067

Franking credits

	2025 $	2024 $
Franking account balance at the beginning of the financial year	35,240	-
Franking credits (debits) arising from income taxes paid (refunded)	62,087	35,240
	97,327	35,240
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	97,327	35,240
Franking credits (debits) that will arise from payment (refund) of income tax	3,011	39,587
Franking credits available for future reporting periods	100,338	74,827

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

Note 22. Financial risk management

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

Notes to the Financial statements (continued)

For the year ended 30 June 2025

Note 22. Financial risk management (continued)

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

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

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

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

	2025 $	2024 $
Financial assets		
Trade and other receivables (note 10)	85,910	84,924
Cash and cash equivalents (note 9)	147,189	246,414
Investments (note 11)	519,774	415,321
	752,873	746,659
Financial liabilities		
Trade and other payables (note 15)	34,220	40,727
Lease liabilities (note 16)	144,667	158,844
	178,887	199,571

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

Accounting policy for financial instruments

Financial assets

Classification
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.

Note 22. Financial risk management (continued)

Financial liabilities

Classification
The company classifies its financial liabilities at amortised cost.

Derecognition
A financial liability is derecognised then 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. The company held cash and cash equivalents of $147,189 and investments of $519,774 at 30 June 2025 (2024: $246,414 and $415,321).

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

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

The following are the company'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.

2025	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	34,220	-	-	34,220
Lease liabilities	29,112	125,449	22,277	176,838
Total non-derivatives	63,332	125,449	22,277	211,058

2024	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	40,727	-	-	40,727
Lease liabilities	27,406	135,002	32,442	194,850
Total non-derivatives	68,133	135,002	32,442	235,577

Note 23. Key management personnel disclosures

The following persons were directors of Kyabram & District Community Limited during the financial year: and up to the date of signing of these Financial Statements.

Vincent Anthony Curtis
Ian Thomas Hamono
Dale Phillip Denham
Rory John Kerr
David James Blake
Donna Beverley Mulcahy
Lisa Maree McPherson
Dean Ciavarella
Alicia Cunningham

Notes to the Financial statements (continued)
For the year ended 30 June 2025

Note 23. Key management personnel disclosures (continued)

Compensation
Key management personnel compensation comprised the following.

	2025 $	2024 $
Short-term employee benefits	5,500	-
Post-employment benefits	1,019	-
	6,519	-

Compensation of the company's key management personnel includes salaries and contributions to a post-employment superannuation fund.

Note 24. Related party transactions

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

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

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

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

	2025 $	2024 $
During the year a sponsorship was made to Stanhope Football Netball Club of which a director is the Treasurer. The total benefit received was:	-	2,000
During the year a sponsorship was made to Kyabram Development Committee of which a director is a Committee Member. The total benefit received was:	15,000	20,000
During the year sponsorships were made to Kyabram Parkland Golf Club of which a director is a Committee Member. The total benefit received was:	-	14,449
During the year a sponsorship was made to Kyabram P12 College of which a director is a Committee Member. The total benefit received was:	4,323	150
During the year a director's daughter received a CEF sponsorship. The total benefit received was:	-	2,500
During the year a sponsorship was made to Kyabram Swimming Club of which a director is a Treasurer. The total benefit received was:	-	2,500

Note 25. Remuneration of auditors

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

	2025 $	2024 $
Audit services		
Audit or review of the financial statements	6,950	7,030
Other services		
Taxation advice and tax compliance services	265	700
General advisory services	3,590	3,240
Share registry services	5,828	5,893
	9,683	9,833
	16,633	16,863

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

	2025 $	2024 $
Profit after income tax expense for the year	39,576	177,180
Adjustments for:		
Depreciation and amortisation	60,177	53,916
Lease liabilities interest	10,885	10,011
Change in operating assets and liabilities:		
Increase in trade and other receivables	(508)	(8,789)
Increase in deferred tax assets	(11,907)	(8,285)
Increase in trade and other payables	442	23,166
Increase/(decrease) in provision for income tax	(36,576)	29,394
Increase in employee benefits	16,485	14,028
Increase in other provisions	3,821	10
Net cash provided by operating activities	82,395	290,631

Note 27. Earnings per share

	2025 $	2024 $
Profit after income tax	39,576	177,180
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	854,361	854,361
Weighted average number of ordinary shares used in calculating diluted earnings per share	854,361	854,361
	Cents	**Cents**
Basic earnings per share	4.63	20.74
Diluted earnings per share	4.63	20.74

Notes to the Financial statements (continued)
For the year ended 30 June 2025

Note 27. Earnings per share (continued)

Accounting policy for earnings per share
Basic and diluted earnings per share is calculated by dividing the profit attributable to the owners of Kyabram & District Community Limited, by the weighted average number of ordinary shares outstanding during the financial year.

Note 28. Commitments

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

Note 29. Contingencies

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

Note 30. Events after the reporting period

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

Directors' declaration

In the directors' opinion:

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

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

On behalf of the directors

Vincent Anthony Curtis
Chair

8 September 2025

Independent audit report

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

Independent auditor's report to the Directors of Kyabram & District Community Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Kyabram & District Community 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 for the year ended on that date; and
ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

We have audited the financial report of Kyabram & District Community Limited (the company), which comprises the:

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

Basis for opinion

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

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

Other information

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

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

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

Independent audit report (continued)

Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
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03 5443 0344

Independence

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 08 September 2025

Joshua Griffin
Lead Auditor

afsbendigo.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

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