Lancefield & Romsey Community Financial Services Limited

ABN 44 093 517 714

Financial Report - 30 June 2025

Lancefield & Romsey Community Financial Services Limited
Directors' report
30 June 2025

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

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

Name:	Suzanne Ewart
Title:	Non-executive director
Experience and expertise:	Non-Executive Director and Business Advisor. Bachelor of Economics, CPA and Fellow of the Australian Institute of Company Directors. Suzanne is a Company Director and business advisor with a strong background in strategy, treasury, risk management and finance for some of Australia's major ASX listed companies including NAB, BTR Nylex, Pacific Dunlop, Fosters Group and Woodside Petroleum. She has served on several boards and has expansive corporate governance and leadership skills drawn from many year's experience in large global businesses. Her board and business experience cover a range of sectors including health, biotech, education, financial services and infrastructure. She is a director of Dexus Wholesale Funds Ltd. She was former Chairman of Butn Led (ASX:BTN) and Chair of .au Domain Administration, Peter MacCallum Cancer Institute, Cell Therapies and Box Hill Institute, a director of Treasury Corporation Victoria and TT Line Pty Ltd.
Special responsibilities:	Board Chair since June 2018, member of Finance & Audit Committee, Governance & Risk Committee.

Name:	Beverley Anne Beaumont
Title:	Non-executive director
Experience and expertise:	Extensive experience and exposure in a number of business management, administration, retail and human resources roles within several companies including Mobil Oil, Balgee Oil, and Ardmona Fruits. An active member / volunteer in the local community, including member of Romsey Sporting Association, President of Romsey Tennis Club and also served as Councillor on Romsey Primary School Council.
Special responsibilities:	Chair of Marketing & Community Investment Committee and member of Governance & Risk Committee

Name:	John Joseph Roach
Title:	Non-executive director (resigned 25 May 2025)
Experience and expertise:	John has previously held positions of CEO AUSVEG, the peak body for the vegetable industry in Australia; CEO of Fresh State Ltd and the Melbourne Markets Credit Service; and Executive Director of Fresh Markets Australia, the peak body for fruit and vegetable wholesalers in Australia; Industry Marketing Coordinator - Agriculture and PNG for the Pacific Labour Scheme. Experience includes over 20 years both as a Chair and a Director on both Government and Industry Councils / bodies at national and state levels. Employment skills include over a decade as a national CEO / Executive Director, very strong in stakeholder engagement; financial and organisational governance; leadership; and commercial acumen. Graduate Management Qualification (AGSM), Certificate in Agriculture.
Special responsibilities:	Member of the Property Committee and Marketing & Community Investment Committee

Name:	Graeme Charles Kelly
Title:	Non-executive director
Experience and expertise:	Graeme is an experienced executive, including nearly 20 years CEO experience as well as non-executive director experience since 2000. He is a Graduate of the Australian Institute of Company Directors and an Alumnus of Harvard Business School (SPNM 2010). He holds a Master Degree of Business (Organisation Dynamics). In addition to a current CEO role, Graeme also supports Boards of organisations with consulting advice and is mentoring some emerging CEO's with their leadership development. In addition to LRFSL director responsibilities Graeme is Chair of Youth Live 4 Life which is a for purpose organisation committed to better mental health and suicide reduction for young people in regional Australia.
Special responsibilities:	Chair of Governance & Risk Committee, member of Finance & Audit Committee.

Name:	Graeme John Bruce
Title:	Non-executive director
Experience and expertise:	Graeme brings both business and Board experience from previous roles with major international consulting firms and NFP boards. A former lecturer in accounting, qualified Financial Planner and Company Secretary, he has extensive experience, both in Australia and in global roles particularly with major international firm Deloitte Consulting as their Regional Director of Operations. Strong accountancy and management background, particularly in process improvement, benchmarking and operations management. Now a full-time farmer, he is focused on improving returns from older cows and sheep.
Special responsibilities:	Member Finance & Audit Committee and Chair Property Committee.

Name:	Georgia Morgan
Title:	Non-executive director
Experience and expertise:	Georgia has more than 25 years‘ experience in the banking industry. Her roles have ranged across Treasury, Financial Markets, Corporate Finance and Sales. Georgia holds a B. of Economics and a Masters of App. Finance. She is also a graduate and Member of the Australian Institute of Company Directors. She is an active member in the local community, most recently as a non-executive board member in the health industry and also having served as a past Treasurer for the Macedon Ranges Vignerons Association and President of the Lancefield Football Netball Club.
Special responsibilities:	Board Treasurer and Chair of the Finance & Audit Committee

Name:	Amanda Marie Mullins
Title:	Non-executive director (resigned 26 August 2024)
Experience and expertise:	Amanda holds a Bachelor of Health Science (Nursing), Graduate Diploma in Critical Care Nursing and a Master of Business Administration. Amanda is the CEO and Company Secretary of Nexus Primary Health (2020-Current). Amanda is also a current Member of the Australian Institute of Company Directors, completing her Company Directors Course in 2020.
Special responsibilities:	Member of Governance & Risk Committee and Marketing & Community Investment Committee.

Name:	Duncan Victor Brain
Title:	Non-executive director (appointed 5 May 2025)
Experience and expertise:	With more than 35 years’ in the finance/insurance industry, both in Australia and internationally, Duncan is an experienced financial services executive/board director. He has worked for a number of ASX listed insurance companies, including as Divisional CEO for Australia’s largest general insurer. Beyond his domestic experience, Duncan has held CEO and board positions across seven countries, working and partnering with market and global leading financial services groups. He holds a B.Apps.Sc (Maths) and Masters of Business Administration degrees, and is a Member of the Australian Institute of Company Directors (MAICD).
Special responsibilities:	Member of Governance & Risk Committee

Name:	David Patrick Brennan
Title:	Non-executive director (appointed 5 May 2025)
Experience and expertise:	David Brennan is a highly experienced executive and non-executive director with a career spanning more than two decades across investment management, healthcare and Government – in Australia, New Zealand and the broader Asia-Pacific region. He began his career as a graduate at Macquarie Bank before taking on senior leadership roles with Bendigo and Adelaide Bank, U Ethical Investors, and Australian Super, where he served as Principal – Business Development. David has also been appointed to Commonwealth Government advisory roles with the Australian Taxation Office and the Office of the Registrar of Indigenous Corporations. David holds degrees from ESC Rouen in France, University of Technology, Sydney and a Senior Executive MBA from Melbourne Business School. David is a Graduate of the Australian Institute of Company Directors and in 2020 was recognised by the Australian Financial Review’s *BOSS* Magazine as a Young Executive of the Year.
Special responsibilities:	Member of Marketing & Community Investment Committee

Company secretary
The Company Secretary is Natalie Belinda Brown. Natalie was appointed to the position of Company Secretary on 4 July 2022.

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 $51,349 (30 June 2024: $289,094).

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 $
Fully franked dividend of 10 cents per share (2024: 10 cents)	101,070	101,070

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

Matters subsequent to the end of the financial year
On the 17th July 2025, the company signed a new franchise agreement with Bendigo Bank for a 5 year term.

On 10 August 2025, the company entered into a new branch lease agreement to align with the term of the new franchise agreement. In accordance with AASB 16 *Leases*, the company will recognise a right-of-use asset and corresponding lease liability of $244,900 on commencement of the lease.

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

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

Lancefield & Romsey Community Financial Services Limited
Directors' report
30 June 2025

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		Finance & Audit Committee		Governance & Risk Committee	
	Eligible	Attended	Eligible	Attended	Eligible	Attended
Suzanne Ewart	11	11	4	4	6	6
Beverley Anne Beaumont	11	11	-	-	6	4
John Joseph Roach	10	9	-	-	-	-
Graeme Charles Kelly	11	10	4	4	6	6
Graeme John Bruce	11	7	4	2	1	1
Georgia Morgan	11	11	4	4	1	1
Amanda Marie Mullins	1	1	-	-	-	-
Duncan Victor Brain	1	1	-	-	-	-
David Patrick Brennan	1	1	-	-	-	-

	Marketing & Community Investment Committee		Property Committee	
	Eligible	Attended	Eligible	Attended
Suzanne Ewart	-	-	-	-
Beverley Anne Beaumont	4	4	-	-
John Joseph Roach	4	4	1	1
Graeme Charles Kelly	-	-	-	-
Graeme John Bruce	-	-	1	1
Georgia Morgan	-	-	-	-
Amanda Marie Mullins	-	-	-	-
Duncan Victor Brain	-	-	-	-
David Patrick Brennan	-	-	-	-

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

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

	Balance at the start of the year	Changes	Balance at the end of the year
Suzanne Ewart	-	-	-
Beverley Anne Beaumont	-	-	-
John Joseph Roach	-	-	-
Graeme Charles Kelly	-	-	-
Graeme John Bruce	-	-	-
Georgia Morgan	-	-	-
Amanda Marie Mullins	-	-	-
Duncan Victor Brain	-	-	-
David Patrick Brennan	-	-	-

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.

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.

Lancefield & Romsey Community Financial Services Limited
Directors' report
30 June 2025

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

S.M. Ewart

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Suzanne Ewart
Chair

1 September 2025

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 Lancefield & Romsey Community Financial Services Limited

As lead auditor for the audit of Lancefield & Romsey Community Financial Services 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:01 September 2025

Joshua Griffin
Lead Auditor

Lancefield & Romsey Community Financial Services Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	2025 $	2024 $
Revenue from contracts with customers	6	2,201,921	2,328,976
Other revenue	7	45,647	213,607
Finance revenue		50,219	52,241
Total revenue		2,297,787	2,594,824
Employee benefits expense	8	(1,081,696)	(947,159)
Advertising and marketing costs		(35,912)	(29,812)
Occupancy and associated costs		(80,466)	(61,958)
System costs		(59,624)	(54,255)
Depreciation and amortisation expense	8	(128,275)	(85,803)
Finance costs		(7,345)	(8,372)
General administration expenses		(187,583)	(166,736)
Loss on disposal of assets		-	(878)
Total expenses before community contributions and income tax expense		(1,580,901)	(1,354,973)
Profit before community contributions and income tax expense		716,886	1,239,851
Charitable donations, sponsorships and grants expense	8	(647,369)	(858,528)
Profit before income tax expense		69,517	381,323
Income tax expense	9	(18,168)	(92,229)
Profit after income tax expense for the year		51,349	289,094
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		51,349	289,094
		Cents	**Cents**
Basic earnings per share	27	5.08	28.60
Diluted earnings per share	27	5.08	28.60

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

Lancefield & Romsey Community Financial Services Limited
Statement of financial position
As at 30 June 2025

	Note	2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents	10	72,344	63,951
Trade and other receivables	11	200,830	244,474
Investments	12	770,797	925,191
Current tax assets	9	30,127	-
Total current assets		1,074,098	1,233,616
Non-current assets			
Property, plant and equipment	13	1,849,726	1,769,058
Right-of-use assets	14	5,209	102,178
Intangible assets	15	2,760	28,702
Total non-current assets		1,857,695	1,899,938
Total assets		2,931,793	3,133,554
Liabilities			
Current liabilities			
Trade and other payables	16	72,677	50,895
Lease liabilities	17	1,998	24,102
Current tax liabilities	9	-	14,722
Employee benefits		45,569	55,887
Total current liabilities		120,244	145,606
Non-current liabilities			
Lease liabilities	17	-	120,292
Deferred tax liabilities	9	85,035	84,905
Employee benefits		2,970	6,244
Lease make good provision		3,683	6,925
Total non-current liabilities		91,688	218,366
Total liabilities		211,932	363,972
Net assets		2,719,861	2,769,582
Equity			
Issued capital	18	667,869	667,869
Retained earnings		2,051,992	2,101,713
Total equity		2,719,861	2,769,582

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

Lancefield & Romsey Community Financial Services Limited
Statement of changes in equity
For the year ended 30 June 2025

	Note	Issued capital $	Retained earnings $	Total equity $
Balance at 1 July 2023		667,869	1,913,689	2,581,558
Profit after income tax expense		-	289,094	289,094
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	289,094	289,094
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	20	-	(101,070)	(101,070)
Balance at 30 June 2024		667,869	2,101,713	2,769,582

	Note	Issued capital $	Retained earnings $	Total equity $
Balance at 1 July 2024		667,869	2,101,713	2,769,582
Profit after income tax expense		-	51,349	51,349
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	51,349	51,349
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	20	-	(101,070)	(101,070)
Balance at 30 June 2025		667,869	2,051,992	2,719,861

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

Lancefield & Romsey Community Financial Services Limited
Statement of cash flows
For the year ended 30 June 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,526,365	2,618,281
Payments to suppliers and employees (inclusive of GST)		(2,358,634)	(2,356,871)
Interest received		43,594	48,278
Income taxes paid		(62,887)	(72,586)
Net cash provided by operating activities	26	148,438	237,102
Cash flows from investing activities			
Payments for investments		-	(216,463)
Payments for property, plant and equipment	13	(167,701)	(19,441)
Proceeds from redemption of investments		154,394	-
Net cash used in investing activities		(13,307)	(235,904)
Cash flows from financing activities			
Interest and other finance costs paid		(6,980)	(8,017)
Dividends paid	20	(101,070)	(101,070)
Repayment of lease liabilities		(18,688)	(16,712)
Net cash used in financing activities		(126,738)	(125,799)
Net increase/(decrease) in cash and cash equivalents		8,393	(124,601)
Cash and cash equivalents at the beginning of the financial year		63,951	188,552
Cash and cash equivalents at the end of the financial year	10	72,344	63,951

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

Note 1. Reporting entity

The financial statements cover Lancefield & Romsey Community Financial Services Limited (the company) as an individual entity, which is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Registered office	**Principal place of business**
20A High Street, Lancefield VIC 3435	20A High Street, Lancefield VIC 3435 105 Main Street, Romsey VIC 3434

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

Note 3. Material accounting policy information

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

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

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

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

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

Note 3. Material accounting policy information (continued)

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

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

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

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

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

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

Note 4. Critical accounting judgements, estimates and assumptions

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

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

Judgements

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

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

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.

Fair value measurement hierarchy
The company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: inputs are based on the quoted market price at the close of business at the end of the reporting period
Level 2: inputs are based on a valuation performed by a third party qualified valuer using quoted prices for similar assets in an active market
Level 3: unobservable inputs for the asset or liability.

Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

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

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

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

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

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

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, 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. Such a rate is based on what the company estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

Note 5. Economic dependency

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The company has entered into a new franchise agreement at 17th July 2025 for a 5 year term.

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	1,998,769	2,121,019
Fee income	109,070	108,698
Commission income	94,082	99,259
	2,201,921	2,328,976

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. Other revenue

	2025 $	2024 $
Net gain on disposal of right of use assets	45,647	-
Revaluation of land and buildings	-	212,852
Sundry income	-	755
	45,647	213,607

Revaluation of property, plant and equipment
Refer to note 13 for information on the revaluation of land and buildings.

Note 8. Expenses

Employee benefits expense

	2025 $	2024 $
Wages and salaries	900,487	810,996
Superannuation contributions	100,178	86,506
Expenses related to long service leave	(6,869)	(7,946)
Other expenses	87,900	57,603
	1,081,696	947,159

Note 8. Expenses (continued)

Depreciation and amortisation expense

	2025 $	2024 $
Depreciation of non-current assets		
Buildings	63,284	20,395
Leasehold improvements	3,019	3,019
Plant and equipment	12,082	13,202
Motor vehicles	8,648	8,647
	87,033	45,263
Depreciation of right-of-use assets		
Leased land and buildings	15,300	14,597
Amortisation of intangible assets		
Franchise fee	4,324	4,324
Franchise renewal fee	21,618	21,619
	25,942	25,943
	128,275	85,803

Finance costs

	2025 $	2024 $
Lease interest expense	7,904	8,017
Unwinding of make-good provision	365	355
	8,269	8,372

Charitable donations, sponsorships and grants expense

	2025 $	2024 $
Direct donation, sponsorship and grant payments	215,551	131,255
Contribution to the Community Enterprise Foundation™ (CEF)	431,818	727,273
	647,369	858,528

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

The funds contributed to and held by the CEF are available for distribution as grants to eligible applicants for a specific purpose in consultation with the directors.

When the company pays a contribution in to the CEF, the company loses control over the funds at that point. While the directors are involved in the payment of grants, the funds are not refundable to the company.

Note 9. Income tax

	2025 $	2024 $
Income tax expense		
Current tax	18,038	44,722
Movement in deferred tax	130	51,386
Under/over provision in respect to prior years	-	(3,879)
Aggregate income tax expense	18,168	92,229
Prima facie income tax reconciliation		
Profit before income tax expense	69,517	381,323
Tax at the statutory tax rate of 25%	17,379	95,331
Tax effect of:		
Non-deductible expenses	789	777
Under/over provision in respect to prior years	-	(3,879)
Income tax expense	18,168	92,229

	2025 $	2024 $
Deferred tax liabilities/(assets)		
Property, plant and equipment	92,280	109,197
Income accruals	6,357	4,701
Right-of-use assets	1,303	25,545
Lease liabilities	(499)	(36,099)
Employee benefits	(12,135)	(15,533)
Provision for lease make good	(921)	(1,731)
Accrued expenses	(1,350)	(1,175)
Deferred tax liability	85,035	84,905

	2025 $	2024 $
Income tax refund due	30,127	-

	2025 $	2024 $
Provision for income tax	-	14,722

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.

Note 9. Income tax (continued)

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 10. Cash and cash equivalents

	2025 $	2024 $
Cash at bank and on hand	72,344	63,951

Note 11. Trade and other receivables

	2025 $	2024 $
Trade receivables	151,819	210,424
Other receivables and accruals	23,581	15,245
Accrued income	25,430	18,805
	49,011	34,050
	200,830	244,474

	2025 $	2024 $
Financial assets at amortised cost classified as trade and other receivables		
Total trade and other receivables	200,830	244,474
less other receivables and accrual (net GST refund by the ATO)	11,993	(28,491)
	212,823	215,983

Note 12. Investments

	2025 $	2024 $
Current assets		
Term Deposits	770,797	925,191

Note 13. Property, plant and equipment

	2025 $	2024 $
Land - at fair value	1,166,281	1,000,000
Buildings - at fair value	576,000	575,000
Less: Accumulated depreciation	(63,457)	(173)
	512,543	574,827
Leasehold improvements - at cost	215,958	215,958
Less: Accumulated depreciation	(124,914)	(121,895)
	91,044	94,063
Plant and equipment - at cost	212,811	212,391
Less: Accumulated depreciation	(157,521)	(145,439)
	55,290	66,952
Motor vehicles - at cost	43,237	43,237
Less: Accumulated depreciation	(18,669)	(10,021)
	24,568	33,216
	1,849,726	1,769,058

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

	Land $	Buildings $	Leasehold improvements $	Plant and equipment $	Motor vehicles $	Capital works in progress $	Total $
Balance at 1 July 2023	918,120	407,610	97,082	71,973	41,863	46,258	1,582,906
Additions	-	-	-	9,059	-	10,382	19,441
Disposals	-	-	-	(878)	-	-	(878)
Revaluation increments	25,240	187,612	-	-	-	-	212,852
Transfers in/(out)	56,640	-	-	-	-	(56,640)	-
Depreciation	-	(20,395)	(3,019)	(13,202)	(8,647)	-	(45,263)
Balance at 30 June 2024	1,000,000	574,827	94,063	66,952	33,216	-	1,769,058
Additions	166,281	1,000	-	420	-	-	167,701
Depreciation	-	(63,284)	(3,019)	(12,082)	(8,648)	-	(87,033)
Balance at 30 June 2025	1,166,281	512,543	91,044	55,290	24,568	-	1,849,726

Fair value
The fair value of land and buildings was determined by external, independent property valuers, having recognised professional qualifications and recent experience in the location and category of the property being valued. Independent valuers provide the fair value of the company's investment property portfolio every 3 to 5 years.

The company's land, buildings and capital works in progress were independently valued by North Western Property Valuers on 9 April 2024.

Note 13. Property, plant and equipment (continued)

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

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

Building	20 to 40 years
Leasehold improvements	4 to 10 years
Plant and Equipment	3 to 10 years
Motor vehicles	4 to 5 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 14. Right-of-use assets

	2025 **$**	**2024** **$**
Land and buildings - right-of-use	84,463	166,132
Less: Accumulated depreciation	(79,254)	(63,954)
	5,209	102,178

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	106,673
Remeasurement adjustments	10,102
Depreciation expense	(14,597)
Balance at 30 June 2024	102,178
Remeasurement adjustments	(81,669)
Depreciation expense	(15,300)
Balance at 30 June 2025	5,209

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 17 for more information on lease arrangements.

Note 15. Intangible assets

	2025 $	2024 $
Franchise fee	172,908	172,908
Less: Accumulated amortisation	(172,449)	(168,125)
	459	4,783
Franchise renewal fee	296,121	296,121
Less: Accumulated amortisation	(293,820)	(272,202)
	2,301	23,919
	2,760	28,702

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	9,107	45,538	54,645
Amortisation expense	(4,324)	(21,619)	(25,943)
Balance at 30 June 2024	4,783	23,919	28,702
Amortisation expense	(4,324)	(21,618)	(25,942)
Balance at 30 June 2025	459	2,301	2,760

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)	July 2025
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	July 2025

The company has entered into a new franchise agreement at 17 July 2025 for a 5 year term. Franchise fee and franchise renewal fees will be recorded under the new agreement from the effective date in July 2025.

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

Note 16. Trade and other payables

	2025 $	2024 $
Current liabilities		
Trade payables	3,005	13,307
Other payables and accruals	69,672	37,588
	72,677	50,895

Note 17. Lease liabilities

	2025 $	2024 $
Current liabilities		
Land and buildings lease liabilities	1,998	24,102
Non-current liabilities		
Land and buildings lease liabilities	-	120,292

Reconciliation of lease liabilities

	2025 $	2024 $
Opening balance	144,394	151,331
Remeasurement adjustments	(123,708)	9,775
Lease interest expense	6,980	8,017
Lease payments - total cash outflow	(25,668)	(24,729)
	1,998	144,394

During the period the company surrendered their existing lease agreement and signed a new lease agreement. The new lease was entered into to align with the term of the new franchise agreement. The lease commences 10 August 2025.

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

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

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

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
Lancefield Branch	5.39%	5 years	2 x 5 years	Yes	August 2025

Note 18. Issued capital

	2025 Shares	2024 Shares	2025 $	2024 $
Ordinary shares - fully paid	1,010,700	1,010,700	970,700	970,700
Less: return of capital	-	-	(252,675)	(252,675)
Less: Equity raising costs	-	-	(50,156)	(50,156)
	1,010,700	1,010,700	667,869	667,869

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

Rights attached to issued capital

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

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

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

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 equal to 75% of the number of shareholders in the company immediately after the shares in the company were allotted and issued.

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

Note 18. Issued capital (continued)

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 19. 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 20. Dividends

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

	2025 $	2024 $
Fully franked dividend of 10 cents per share (2024: 10 cents)	101,070	101,070

Note 20. Dividends (continued)

Franking credits

	2025 $	2024 $
Franking account balance at the beginning of the financial year	914,312	875,416
Franking credits (debits) arising from income taxes paid (refunded)	4,722	-
Franking debits from the payment of franked distributions	(33,690)	(33,690)
Franking credits from the payment of income tax instalments during the financial year	58,165	72,586
	943,509	914,312
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	943,509	914,312
Franking credits (debits) that will arise from payment (refund) of income tax	(30,127)	14,722
Franking credits available for future reporting periods	913,382	929,034

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

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

Note 21. Financial risk management

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

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

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

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

Note 21. Financial risk management (continued)

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

	2025 $	2024 $
Financial assets at amortised cost		
Trade and other receivables (note 11)	212,823	215,983
Cash and cash equivalents (note 10)	72,344	63,951
Investments (note 12)	770,797	925,191
	1,055,964	1,205,125
Financial liabilities		
Trade and other payables (note 16)	72,677	50,895
Lease liabilities (note 17)	1,998	144,394
	74,675	195,289

Accounting policy for financial instruments

Financial assets

Classification
The company classifies its financial assets at amortised cost.

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

The company's financial assets measured at amortised cost comprise trade and other receivables, cash and cash equivalents and investments in term deposits.

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

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

Financial liabilities

Classification
The company classifies its financial liabilities at amortised cost.

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

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

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. The company held cash and cash equivalents of $72,344 and investments of $770,797 at 30 June 2025 (2024: $63,951 and $925,191).

Note 21. Financial risk management (continued)

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	72,677	-	-	72,677
Lease liabilities	2,001	-	-	2,001
Total non-derivatives	74,678	-	-	74,678

2024	**1 year or less** $	**Between 1 and 5 years** $	**Over 5 years** $	**Remaining contractual maturities** $
Trade and other payables	50,895	-	-	50,895
Lease liabilities	24,728	-	-	24,728
Total non-derivatives	75,623	-	-	75,623

Note 22. Fair value measurement

Fair value hierarchy
The following tables detail the company's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

2025	**Level 1** $	**Level 2** $	**Level 3** $	**Total** $
Assets				
Land	-	1,166,281	-	1,166,281
Buildings	-	576,000	-	576,000
Total assets	-	1,742,281	-	1,742,281

Note 22. Fair value measurement (continued)

2024	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Land	-	1,000,000	-	1,000,000
Buildings	-	575,000	-	575,000
Total assets	-	1,575,000	-	1,575,000

There were no transfers between levels during the financial year.

Valuation techniques for fair value measurements categorised within level 2 and level 3
The basis of the valuation of land and buildings is fair value. The land and buildings were last revalued on 9 April 2024 based on independent assessments by a member of the Australian Property Institute having recent experience in the location and category of land and buildings being valued. The directors do not believe that there has been a material movement in fair value since the revaluation date. Valuations are based on current prices for similar properties in the same location and condition.

Note 23. Key management personnel disclosures

The following persons were directors of Lancefield & Romsey Community Financial Services Limited during the financial year:

Suzanne Ewart
David Patrick Brennan
Beverley Anne Beaumont
John Joseph Roach
Duncan Patrick Brennan
Graeme Charles Kelly
Graeme John Bruce
Amanda Marie Mullins
Georgia Morgan

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

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

Note 24. Related party transactions

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

Receivable from and payable to related parties
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 $
A director is on the organising committee of the Lancefield Gift. Lancefield Gift received a sponsorship during the year of.	25,000	20,000
A director's partner is a Past President of the Romsey Bowling Club. During the year Romsey Bowling Club received sponsorship funding of.	2,000	3,750

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	8,030	7,450
Other services		
Taxation advice and tax compliance services	3,284	700
General advisory services	3,705	3,340
Share registry services	6,665	9,465
Consultancy and governance services	-	10,048
	13,654	23,553
	21,684	31,003

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	51,349	289,094
Adjustments for:		
Depreciation and amortisation	128,275	85,803
Revaluation increment	-	(212,852)
Net loss on disposal of non-current assets	-	878
Profit on remeasurement of ROU asset	(42,405)	-
Lease liability interest	6,980	8,017
Change in operating assets and liabilities:		
Decrease in trade and other receivables	43,644	50,253
Increase in income tax refund due	(30,127)	-
Increase in trade and other payables	21,783	13,586
Decrease in provision for income tax	(14,722)	(31,742)
Increase in deferred tax liabilities	130	51,385
Decrease in employee benefits	(13,592)	(17,675)
Increase/(decrease) in other provisions	(2,877)	355
Net cash provided by operating activities	148,438	237,102

Note 27. Earnings per share

	2025 $	2024 $
Profit after income tax	51,349	289,094
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	1,010,700	1,010,700
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,010,700	1,010,700
	Cents	**Cents**
Basic earnings per share	5.08	28.60
Diluted earnings per share	5.08	28.60

Accounting policy for earnings per share
Basic and diluted earnings per share is calculated by dividing the profit attributable to the owners of Lancefield & Romsey Community Financial Services 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

On the 17th July 2025, the company signed a new franchise agreement with Bendigo Bank for a 5 year term.

On 10 August 2025, the company entered into a new branch lease agreement to align with the term of the new franchise agreement. In accordance with AASB 16 *Leases*, the company will recognise a right-of-use asset and corresponding lease liability of $244,900 on commencement of the lease.

No other 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.

Lancefield & Romsey Community Financial Services Limited
Directors' declaration
30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;

- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

- the company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

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

On behalf of the directors

S.M. Ewart

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Suzanne Ewart
Chair

1 September 2025

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 Lancefield & Romsey Community Financial Services Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Lancefield & Romsey Community Financial Services 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 Lancefield & Romsey Community Financial Services 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.

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

Independence

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

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 01September 2025

Joshua Griffin
Lead Auditor