

Annual Report 2026

Lockhart & District Financial
Services Limited

Community Bank
Lockhart & District

ABN 14 099 918 680

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Chairs' report

For year ending 30 June 2026

Summary of outcomes for the 2026 financial year

The 2026 financial year reflected Community Bank Lockhart and District's continued commitment to supporting local communities while maintaining sound financial management and strong governance. The Board noted a net profit reduction largely due to a significant increase in sponsorships, donations and grants. Community investment contributions were \$142,350 in FY2026 demonstrating the company's ongoing focus on returning value to the communities it serves.

The Board resolved to pay a FY2025 fully franked dividend of \$0.075 per share, reflecting confidence in the company's financial position and the franchise model's treatment of sponsorship costs when assessing dividend capacity.

This year's dividend will be decided at the September monthly Board meeting.

Operational highlights

Operational performance stayed positive throughout the year, with the community bank boosting lending, customer engagement, and service. By June 2026, the lending effectiveness ratio exceeded targets. Staffing remained sufficient with regular check-ins and limited lunchtime closures.

A new lending platform reduced loan processing time from eight to ten hours to one to two hours, enabling a more consistent business approach and allowing staff to focus on customer engagement.

Business development focused on sustainable growth, emphasising growing low-cost deposits, transaction accounts, and younger customer relationships for long-term sustainability.

Board Director update

During the year, the Board continued to evolve its leadership and Director arrangements. Rachel served as Chair for an agreed six-month period before the Board moved to a shared Co-Chair model with Nick and Rachel.

The Board also reviewed its meeting structure to better balance governance obligations with strategic planning. Monthly meetings were retained during the year-end audit, annual report and AGM period, while the first half of the year was identified as an opportunity for alternate-month Board workshops focused on strategic areas such as succession planning, Director training and project development. These strategic meetings were positively received. These sessions allowed the Board to consider key strategies to maintain the viability of the community bank.

Community investment and engagement

Community investment remained a defining feature of the year. The Board supported a broad range of local organisations and projects, including a \$2,500 pledge for a Little Angels Remembrance Garden at The Rock and \$40,000 for an outdoor area and accessibility ramp at the Urana Bowling and Community Club.

The Board also approved or progressed support for several community organisations and events, including the Walbundrie Show Society President's Medal, Brookdale Bluebells, Lockhart Picnic Races Naming Rights sponsorship, Brookdale Ball and the Billabong Crows Football Netball Club. These contributions reflect the company's continued role in supporting local sport, agriculture, community connection and regional events.

The Board reviewed and approved acquittals from other community organisations. This process supported good stewardship of community funds and ensured projects were appropriately completed and reported.

Chairs' report (continued)

The Board continued to focus on improving the return on community investment by linking sponsorships to tangible community and business outcomes and encouraging reciprocal relationships, rather than providing financial support alone. Positive feedback from community partners, including the Urana Bowling and Community Club, reinforced the value and visibility of this investment across the district.

Governance and compliance

Governance and compliance remained central to the Board's work. Across the year, the Board adopted a number of Bendigo Bank mandatory policies as part of BEN attestation remediation and broader compliance requirements. These included policies covering sexual harassment, discrimination and harassment, personal conduct matters procedure, Community Bank security, Community Bank IT acceptable use, anti-money laundering and counter-terrorism financing, anti-bribery and corruption, fraud management, anti-scam and sanctions.

The Board also approved collaboration with CBVS to improve the grants management process, drawing on experience with SmartyGrants and other community bank administration practices.

Acknowledgements

We sincerely thank our staff, fellow Board members and valued community members for their ongoing support and contributions to Community Bank Lockhart and District. Their commitment, professionalism and community spirit continue to underpin the strength of our Community Bank and the positive outcomes we deliver across Lockhart and the surrounding districts.

Nick Mathews
Co-Chair
Lockhart and District Financial Services Limited.

Rachel Westblade
Co-Chair
Lockhart and District Financial Services Limited.

Manager's report

For year ending 30 June 2026

It is my pleasure to present the Manager's Report for Community Bank Lockhart & District for the year ending 30 June 2026.

The past year has been one of continued change, growth and opportunity for our Community Bank. I am proud of the way our team has adapted to ongoing changes, continued to support customers and the local community, and worked together to deliver strong outcomes.

In terms of community bank performance, we achieved \$11,058,305 in lending settlements, representing an increase of \$1,414,652 on the previous financial year. This is a pleasing result and reflects the continued commitment of our team.

We also recorded \$5,834,945 in discharges during the year. Despite these discharges, most of our lending opportunities were successfully fulfilled through our new lending platform, which has enabled home loan applications to progress to approval within a much quicker timeframe.

Deposit growth has not been at the level we would have liked to achieve, however this remains an important area of focus.

Our focus for the year ahead is to continue to grow the business while navigating the rapidly changing banking environment. We will remain focused on providing customers with a high level of service and ensuring that our community knows we are here.

Finally, I would like to acknowledge the invaluable support provided by our Board of Directors, CB-Virtual Solutions and newly appointed Regional Manager David Wilkes. Their continued support, guidance and commitment have been instrumental during these last twelve months.

I would also like to thank our customers, shareholders and the wider Lockhart community for their ongoing support. Most importantly, I thank our team for their hard work, adaptability and commitment throughout the year.

I look forward to building on our achievements and continuing to make a positive difference for our customers and community in the year ahead.

Tara Finnigan
Branch Manager
Community Bank Lockhart & District

Directors' report

The Directors present their report together with the accounts of Lockhart & District Financial Services Limited for the year ended 30 June 2026.

DIRECTORS

The names of directors who held office during or since the end of the year are:

Nicholas Mathews	Kenneth Hogan
Craig Fletcher	Peter McDonnell
Rachel Westblade	Jared Walker (Resigned 5 May 2026)

All directors have been in office the full year unless stated above.

DIRECTORS' MEETINGS

The number of Directors meetings and number of meetings attended by each of the Directors of the company during the financial year are:

Director	Number Attended	Number eligible to attend	Director	Number Attended	Number eligible to attend
Mr N Mathews	8	9	Mr K Hogan	9	9
Mr C Fletcher	8	9	Mr P McDonnell	7	9
Mrs R Westblade	8	9	Mr Jared Walker	3	7

PRINCIPAL ACTIVITIES

The principal activities of the company during the course of the financial period were in providing community banking services under management rights to operate a franchised branch of Bendigo Bank Limited.

RESULT

The net profit of the company for the financial year after provision for income tax was \$94,022 (2024 \$29,192).

SHORT AND LONG TERM OBJECTIVES

Our short term objective is to continue to offer community banking services to the Lockhart and district community. Our long term objective is to achieve increased returns for shareholders and further support the community through various sponsorship arrangements.

KEY PERFORMANCE INDICATORS

Key performance indicators used by the company to monitor performance include:

- Monthly financial accounts, budgets and forecasts
- Monthly revenue analysis
- Monthly reports from Bendigo Bank Ltd

MATTERS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There are no matters or circumstances that have arisen since the end of the reporting period that have significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company.

DIRECTORS INTERESTS AND BENEFITS

Since the end of the previous financial year no Director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors shown in the accounts) because of a contract made by the company with the Director or with a firm of which the director is a member, or with a company in which the Director has a substantial interest.

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 on the following page.

Dated at Wagga Wagga this 30th day of September 2026

Signed in accordance with a resolution of the directors:



Nick Mathews

Director

Auditor's independence declaration



Experts by your side.

Bush & Campbell Audit

AUDITORS INDEPENDENCE DECLARATION

As lead auditor for the audit of Lockhart & District Financial Services Limited for the year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been:

(a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

— (b) No contraventions of any applicable code of professional conduct in relation to the audit.

Bush & Campbell Audit Pty Ltd
Authorised Audit Company

David Rosetta
Director

Wagga Wagga
30 September 2026

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Financial statements

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 \$	2025 \$
Revenues from ordinary activities	2	1,048,135	1,014,847
Employee expenses		(548,514)	(579,713)
Administration expenses		(197,932)	(176,196)
Depreciation and amortisation		(33,976)	(29,265)
Sponsorship, donations & grants expense		(142,350)	(190,750)
Net Profit from ordinary activities before income tax expense		<u>125,363</u>	<u>38,923</u>
Income tax expense relating to ordinary activities	3	(31,341)	(9,731)
Net profit from ordinary activities after related income tax expense		<u>94,022</u>	<u>29,192</u>
Total change in equity other than those resulting from transactions with owners as owners		<u>94,022</u>	<u>29,192</u>
Earnings per share	22	17.09 cents	5.31 cents

The Statement of Comprehensive Income is to be read in conjunction with the notes to and forming part of the accounts.

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Note	2026 \$	2025 \$
CURRENT ASSETS			
Cash	5	951,442	841,865
Receivables	6	82,329	82,483
Other Financial Assets	7	6,350	6,343
Tax Assets	13	-	11,155
TOTAL CURRENT ASSETS		<u>1,040,121</u>	<u>941,846</u>
NON-CURRENT ASSETS			
Other Financial Assets	7	17,908	31,339
Tax Assets	8	26,497	20,761
Property, plant & equipment	9	141,081	161,626
TOTAL NON-CURRENT ASSETS		<u>185,486</u>	<u>213,726</u>
TOTAL ASSETS		<u>1,225,607</u>	<u>1,155,572</u>
CURRENT LIABILITIES			
Borrowings	10	16,107	16,611
Payables	11	63,469	69,124
Provisions	12	35,177	18,211
Tax Liabilities	13	13,442	-
TOTAL CURRENT LIABILITIES		<u>128,194</u>	<u>103,946</u>
NON CURRENT LIABILITIES			
Borrowings	10	-	14,774
Provisions	12	39,318	31,529
TOTAL NON CURRENT LIABILITIES		<u>39,318</u>	<u>46,303</u>
TOTAL LIABILITIES		<u>167,512</u>	<u>150,249</u>
NET ASSETS		<u>1,058,095</u>	<u>1,005,323</u>
EQUITY			
Contributed Equity	14	550,009	550,009
Retained Profits	15	508,086	455,314
TOTAL EQUITY		<u>1,058,095</u>	<u>1,005,323</u>

The Statement of Financial Position is to be read in conjunction with the notes to and forming part of the accounts.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2026

	Issued Capital	Retained Earnings	Total
	\$	\$	\$
Balance as at 1 July 2024	550,009	467,373	1,017,382
Profit for period	-	29,192	29,192
Dividend paid	-	(41,251)	(41,251)
Balance as at June 30 2025	<u>550,009</u>	<u>455,314</u>	<u>1,005,324</u>
Profit for period	-	94,022	94,022
Dividend paid	-	(41,251)	(41,251)
Balance as at June 30 2026	<u>550,009</u>	<u>508,086</u>	<u>1,058,096</u>

The Statement of Changes in Equity is to be read in conjunction with the notes to and forming part of the accounts.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 \$	2025 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts in the course of operations		1,014,627	989,435
Cash payments in the course of operations		(882,184)	(961,864)
Cash receipts from interest and dividends		33,662	22,746
Net cash used by operating activities	16(ii)	166,105	50,317
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		-	(40,544)
Net cash used in investing activities		-	(40,544)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts/(repayment) from borrowings		(15,278)	(16,914)
Payment of dividends		(41,251)	(41,251)
Net cash used in financing activities		(56,529)	(58,165)
Net increase / (decrease) in cash held		109,576	(48,392)
Cash at the beginning of the financial year		841,865	890,256
Cash at the end of the financial year	16(i)	951,442	841,865

The Statement of Cash Flows is to be read in conjunction with the notes to and forming part of the accounts.

Notes to the financial statements

FOR THE YEAR ENDED 30 JUNE 2026

NOTE 1 STATEMENT OF MATERIAL ACCOUNTING POLICIES

The material policies that have been adopted in the presentation of these financial statements are:

(a) Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with the Accounting Standards, other pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The financial report has been prepared on the basis of historical costs and does not take into account changing money values nor current valuations of the non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

(b) Income Tax

The Company adopts the liability method of tax effect accounting whereby the income tax expense is based on profit from ordinary activities adjusted for any permanent differences.

Timing differences which arise due to the different accounting periods in which items of revenue and expense are included in the determination of accounting profit and taxable income are brought to account as either a provision for deferred income tax or as a deferred tax asset.

Deferred tax assets are not brought to account unless it is probable that the benefit will be realised.

(c) Property, Plant and Equipment

Freehold land and buildings are brought to account on the cost basis.

Plant and equipment are measured on the cost basis.

The depreciable amount of all fixed assets, excluding freehold land, is depreciated on a straight line basis over their useful lives to the economic entity.

The depreciation rates used for each class of depreciable assets are:

<i>Class of fixed asset</i>	<i>Depreciation rate</i>
Buildings	2.5%
Plant and equipment	20-40%

(d) Intangibles

Franchise Fees

The Company has entered into a five year franchise agreement with Bendigo Bank for an initial 5 year term.

(e) Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year together with entitlements arising from wages and salaries have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Contributions are made by the Company entity to employee superannuation funds and are charged as expenses when incurred.

(f) Comparative Figures

Where required by Accounting Standards comparative figures have been adjusted to conform with changes to presentation for the current financial year.

(g) Revenue

Revenue from contracts with customers

The Company recognises revenue as the amount of the transaction price that is allocated to the performance obligation, excluding any amounts of variable consideration, when the performance obligation has been satisfied. All revenue is stated net of the amount of goods and services tax (GST).

Revenue calculation

The Company provides banking services under a franchise agreement. Bendigo and Adelaide Bank Limited decides the form of revenue the company earns on different types of products and services. The franchise agreement provides that three forms of revenue may be earned by the company – margin, commission and fee income. The revenue earned by the company is dependent on the business that it generates. It may also be affected by other factors, such as economic and local conditions, for example, interest rates.

Margin

Margin is arrived 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 and Adelaide Bank Limited for a deposit,
- minus any costs of funds i.e. interest applied by Bendigo and Adelaide Bank Limited to fund a loan.

For those products and services on which margin is paid, the company is entitled to a share of the margin earned by Bendigo and Adelaide Bank Limited (i.e. income adjusted for Bendigo and Adelaide Bank Limited's interest expense and interest income return). However, if this reflects a loss, the company incurs a share of that loss. Products and services on which margin is paid include variable rate deposits and variable rate home loans.

(g) Revenue (Continued)

Commission

Commission is a fee paid for products and services sold. It may be paid on the initial sale or on an ongoing basis. Commission is payable on the sale of an insurance product such as home and contents. Examples of products and services on which ongoing commissions are paid include leasing and other products.

The Company has considered the treatment of trail commissions in accordance with AASB 15. It was concluded that there is no way to determine, with high probability, the present value of on-going commissions. For these reasons on-going trail commission is recognised when calculated and remitted to the Company.

Fee income

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

(h) New Accounting standards adopted during the year

There were no new accounting standards adopted during the year that had a material impact on the financial statements of the company.

Notes to the financial statements (continued)

	2026 \$	2025 \$
NOTE 2 - REVENUE		
Operating activities		
Fees	41,384	40,318
Gross margin	852,917	791,109
Commissions	116,589	155,641
Market development	-	-
	<u>1,010,890</u>	<u>987,068</u>
Non-operating activities		
Interest	33,662	22,746
Other Income	3,583	-
Profit on sale of asset	-	5,033
	<u>1,048,135</u>	<u>1,014,847</u>
NOTE 3 - INCOME TAX EXPENSE		
The prima facie tax on profit ordinary activities before income tax is reconciled as follows:		
Tax expense at 25% (2025 - 25%)	31,341	9,731
Add/(less) tax effect of:		
- Permanent Difference	-	-
	<u>31,341</u>	<u>9,731</u>
NOTE 4 - PROFIT FROM ORDINARY ACTIVITIES		
Profit from ordinary activities before income tax has been determined after:		
(a) Expenses		
Amortisation of intangibles	13,431	13,431
Auditors remuneration - auditing & reviewing financial stater	15,000	14,200
Auditors remuneration - other services	9,000	8,640
Depreciation of non-current assets	20,545	15,834
NOTE 5 - CASH ASSETS		
Cash at bank	951,442	841,865
	<u>951,442</u>	<u>841,865</u>

Notes to the financial statements (continued)

	2026 \$	2025 \$
NOTE 6 - RECEIVABLES		
Trade debtors (Bendigo Receivable)	82,329	82,483
Other receivables	-	-
	<u>82,329</u>	<u>82,483</u>
NOTE 7 - OTHER FINANCIAL ASSETS		
Current		
Prepayments	6,350	6,343
	<u>6,350</u>	<u>6,343</u>
Non-current		
Current franchise fee	67,155	67,155
Less: accumulated amortisation	(49,247)	(35,816)
	<u>17,908</u>	<u>31,339</u>
NOTE 8 - DEFERRED TAX ASSETS & LIABILITIES		
Deferred Tax Assets/(Liability)	26,497	20,761
	<u>26,497</u>	<u>20,761</u>
NOTE 9 - PROPERTY, PLANT AND EQUIPMENT		
Land - at cost	27,258	27,258
Buildings - at cost	164,125	164,125
Less: accumulated depreciation	(101,273)	(95,563)
	<u>62,852</u>	<u>68,562</u>
Plant and equipment - at cost	219,342	219,342
Less: accumulated depreciation	(168,371)	(153,536)
	<u>50,971</u>	<u>65,806</u>
Total	<u>141,081</u>	<u>161,626</u>

(b) Movement in Carrying Amounts

	Freehold Land	Buildings	Plant & Equipment	Total
Balance at the beginning of year	27,258	68,562	65,806	161,626
Additions	-	-	-	-
Disposal	-	-	-	-
Depreciation	-	(5,710)	(14,835)	(20,545)
Balance at the end of year	<u>27,258</u>	<u>62,852</u>	<u>50,971</u>	<u>141,081</u>

Notes to the financial statements (continued)

	2026 \$	2025 \$
NOTE 10 - BORROWINGS		
Current		
Bendigo Bank - Credit Card	1,333	1,837
Bendigo Bank - Franchise Fee Loan	14,774	14,774
	<u>16,107</u>	<u>16,611</u>
Non-Current		
Bendigo Bank - Franchise Fee Loan	-	14,774
	<u>-</u>	<u>14,774</u>
NOTE 11 – PAYABLES		
Trade Creditors	44,427	55,900
ATO Payable	19,042	13,224
	<u>63,469</u>	<u>69,124</u>
NOTE 12- PROVISIONS		
Current		
Employee Entitlements	<u>35,177</u>	<u>18,211</u>
Non-Current		
Employee Entitlements	<u>39,318</u>	<u>31,529</u>
NOTE 13 - TAX LIABILITIES		
Provisions for Income Tax Payable/(Receivable)	13,442	(11,155)
	<u>13,442</u>	<u>(11,155)</u>
NOTE 14 - CONTRIBUTED EQUITY		
550,009 fully paid ordinary shares	<u>550,009</u>	<u>550,009</u>
NOTE 15 - RETAINED PROFITS		
Retained profits at the beginning of the financial year	455,314	467,373
Net profit / (loss) from ordinary activities	94,022	29,192
Dividend paid	(41,251)	(41,251)
Retained profits at the end of the financial year	<u>508,086</u>	<u>455,314</u>

Notes to the financial statements (continued)

	2026 \$	2025 \$
NOTE 16 - CASH FLOW INFORMATION		
(i). Reconciliation of Cash		
For the purpose of the statement of Cash Flows, cash includes cash on hand and at bank. Cash at the end of the financial year as shown in the Statements of Cash Flows is reconciled to the related items in the statement of financial position as follows:		
Cash at bank	<u>951,442</u>	<u>841,865</u>
(ii). Reconciliation of Operating Profit to Net Cash Used in Operating Activities:		
Profit / (loss) for Year:	94,022	29,192
Non cash flows recorded in ordinary activities		
Amortisation	13,431	13,431
Depreciation	20,545	15,834
Profit on sale of asset	-	(5,033)
Net cash provided / (used) in operating activities before changes in assets and liabilities during the year		
(Increase) / decrease in other assets	(7)	2,530
(Increase) / decrease in receivables	154	2,367
(Increase) / decrease in tax assets	(5,736)	(15,114)
Increase / (decrease) in payables	(5,655)	10,397
Increase / (decrease) in tax liabilities	24,597	(15,775)
Increase / (decrease) in provisions	24,755	12,488
Net Cash Used in Operating Activities	<u>166,105</u>	<u>50,317</u>

NOTE 17 – SEGMENT REPORTING

The economic entity operates predominately in one business and geographical segment being the provision of finance services.

NOTE 18– RELATED PARTY TRANSACTIONS

There were no related party transactions between the company and directors during the year.

The names of the Directors who have held office during the financial year are:

Nicholas William Mathews	Kenneth John Hogan
Craig Anthony Fletcher	Peter Andrew McDonnell
Rachel Jacinta Westblade	Jared Walker

NOTE 19 – COMPANY DETAILS

The registered office of the company is:
Lockhart & District Financial Services Limited
98 Green Street
LOCKHART NSW 2656

NOTE 20 – FINANCIAL INSTRUMENTS

Financial Risk Management

The Company's activities expose it to a variety of financial risks including credit, interest rate and liquidity risks. The Company does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risks. Further, due to the nature of the Company's investments and other financial instruments it is not exposed to significant price risks.

Fair Values

The carrying amounts and estimated fair values of financial assets and financial liabilities held at balance date are the same.

Market Risk – Sensitivity Analysis

The Company's financial assets which are subject to interest rate risk comprise cash on hand, at bank and on call, and term deposits which are generally short term and are held to maturity. Therefore the Company does not consider that a change in risk variable (interest) would have a significant effect on profit or equity.

Credit Risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount, net of any provision for doubtful debts, as disclosed in the statement of financial position and notes to the financial statements.

The Company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the entity.

Notes to the financial statements (continued)

Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash or credit facilities to meet the operating requirements of the Company. This is managed through committed undrawn facilities and prudent cash flow management.

The exposure to interest rate risk, which is the risk that financial instruments will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of consolidated financial assets and financial liabilities, is as follows:

	Weighted Av Interest rate		Floating Interest rate		Non-interest bearing		Total	
Financial Assets	2026	2025	2026	2025	2026	2025	2026	2025
	%	%	\$	\$	\$	\$	\$	\$
Cash at bank	3.2	3.42	951,442	841,865			951,442	841,865
Receivable Assets					82,329	82,483	82,329	82,483
Total Financial Assets			951,442	841,865	82,329	82,483	1,033,771	924,348
Financial Liabilities								
Borrowings & Payables	-	-	-	-	79,576	100,509	79,576	100,509
Total Financial Liabilities			-	-	79,576	100,509	79,576	100,509

NOTE 21 – DIVIDENDS

Dividends paid for the year were at 7.5c per share
(2025 7.5c per share)

NOTE 22 – EARNINGS PER SHARE

	2026	2025
	\$	\$
Net Profit used in calculation of EPS	94,022	29,192
Number of ordinary shares used in calculation of EPS	550,009	550,009

Consolidated Entity Disclosure Statement

Section 295(3A)(a) does not apply to the Company as it does not have any controlled entities and therefore is not required by the Australian Accounting Standards to prepare consolidated financial statements.

Directors' declaration

The directors of the company declare that:

1. The financial statements and notes, are in accordance with the Corporations Act 2001:
 - a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - b) give a true and fair view of the financial position as at 30 June 2026 and of the performance for the year ended on that date of the company and economic entity;
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
3. The consolidated entity disclosure statement is true and correct.

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



Nick Mathews

Director

Dated this 30th day of September 2026

Independent audit report



Experts by your side.

Bush & Campbell Audit

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

LOCKHART AND DISTRICT FINANCIAL SERVICES LIMITED

Opinion

We have audited the accompanying financial report of Lockhart and District Financial Services Limited, which comprises the statement of financial position as at 30 June 2026, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes and the directors' declaration.

In our opinion, the financial report of Lockhart and District 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 2026 and of their performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other responsibilities in accordance with the Code.

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

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

Information Other than the Financial Report and Auditor's Report Thereon

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 2026, but does not include the financial report and our auditor's report thereon.

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

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Registration #557854

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CHARTERED ACCOUNTANTS
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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.

Directors' Responsibility for the Financial Report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal controls 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 to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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.

Bush & Campbell Audit Pty Ltd
Authorised Audit Company

David Rosetta
Director

Wagga Wagga
30 September 2026

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