

Annual Report 2025

Logan Community Financial
Services Limited

Community Bank
Beenleigh, Browns Plains,
Helensvale and Springwood

ABN 88 101 143 430



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Chair and CEO's report

For year ending 30 June 2025

Another year has rolled around, and while it brought its share of new challenges, we're proud to have posted some truly outstanding results. Few would be surprised to hear us speak of headwinds—rising living costs, an extremely tight real estate market, and the complexities of operating in a high-fraud banking environment have all left their mark. Yet, despite these pressures, we've continued to thrive as a community-focused organisation, meeting challenges head-on and growing stronger through them.



Jason Luckhardt



Kate Wakeling

We've worked hard to maintain the Logan business we've built over the past two decades, while also expanding our footprint into Northern Gold Coast. In doing so, we've embraced the core principles of the community bank model—delivering strong financial performance while investing in key pillars of local impact: Youth and Education, community safety and resilience, social cohesion, food security, and environmental stewardship.

In a time when media headlines often focus on bank closures and the erosion of local services, we've demonstrated our commitment by renewing retail leases and undertaking refurbishment works at our branches. This isn't just about bricks and mortar—it's about pride in our local presence, support for our staff, and deep respect for the communities we serve. It's also a reflection of why this model continues to succeed: because it's built on genuine relationships.

This year, we hosted a shareholder engagement evening where several of our beneficiaries shared firsthand stories of the impact we've made on their organisations. What stood out most was the emotional resonance these stories had with our shareholders, including those who've been with us since the very beginning. It was a powerful reminder that our work matters, from grassroots initiatives to large-scale events, sponsorships, and donations.

We also reminded everyone that bringing more of your banking back into the community costs nothing—but the impact is real and lasting. This financial year we have grown our business by \$74million, taking our total footings to \$779million and increasing our customer numbers to 20,320.

To underscore that point, one need only look at our financial results. We posted another significant profit this year and proudly contributed \$350,000 to the Community Enterprise Foundation. Our shareholders were also rewarded with a mid-year dividend announcement and a record full-year dividend. As a social enterprise, these achievements are only possible because we remain true to our charter—putting people and planet first.

On the people's front, we marked the retirement of Mr Brett Raguse, who served as Deputy Chair and made a profound contribution to our Board and community over many years. Brett remains a proud shareholder, and we know he'll continue to champion our cause. In his place, we're thrilled to welcome Mr Joshua Pascoe to the Board. Joshua brings deep community experience and leadership through his role as CEO of Basketball Queensland.

Staff stability remains a hallmark of our business, with strong continuity in senior management and ongoing creation of local employment opportunities in the banking sector.

We continue to play a high-profile role in many community organisations, with our major sponsorship of Logan Basketball standing as a cornerstone relationship. Worked closely with our Chambers of Commerce in Logan and Northern Gold Coast, supporting events like BYCC Prawn Day, Logan Business Distinction Awards and the Beenleigh Cane Parade.

Chair and CEO's report (continued)

We value our partnership with Lions@Springwood, supporting their golf day and Go Pink luncheon to raise vital funds for the Mater Foundation. We partnered with Distillery Road Markets (DRM) to bring a series of events to DRM, free for families to enjoy. We have also developed strong partnerships with several schools including Yugumbir, Browns Plains SHS, Upper Coomera, Helensvale SHS, Stretton College and Calamvale Community College.

We have actively contributed to bringing several festivals including SSI World of Cultures, Lasso country music festival and the Loud and Proud festival to our communities along with our support of Awards Australia – QLD Community Group of the Year Award.

This year we invested \$537,000 into the communities that support us, our largest investment to date. Collectively the community bank model invested back \$50million across the country this financial year, bringing the overall investment since inception of the model to \$416million, a remarkable achievement.

As always, our focus remains on making lasting contributions. We invite and encourage our customers, shareholders, and community stakeholders to engage with us—wherever and whenever possible. The banking industry continues to present challenges, but with the support of our partner Bendigo & Adelaide Bank Ltd and our commitment to sustainable, values-driven operations, we remain confident in our future.

On behalf of the Board and staff of Logan Community Financial Services Limited, thank you for your continued support.



Jason Luckhart
Chair



Kate Wakeling
CEO

Community Engagement 2025



BL Rotary



BYCC



Chamber event



Go Pink Golf Day



Kate and Cameron Dick



Rebel FM



Radio 101



Piggy LBI



AEIOU Gala



Beenleigh Cane Gala

Community Engagement 2025 (continued)



BPSHS



Griffith Uni Tax Clinic



Asian FC



UCSS



Logan Charitable Trust



Logan Chamber Golf Day



LBI



Wendy and Kate with Piggy



BL Cane Ball



BL Cane Parade



Community Engagement 2025 (continued)



HV



Calamvale College



Carpentry Australia



Empower Assistance Dogs



BL Little Aths



Mayoral Dinner



Lasso



Loud & Proud



Community Engagement 2025 (continued)



Cane Parade



Best of Logan Rebel



HV



BDA Finalist event



Rotary Cane parade judges



Quota



Piggy



Piggy with the local police



Yugumbir School



Directors' report

For the financial year ended 30 June 2025

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

Directors

The directors of the company who held office during the financial year and to the date of this report are:

Jason Paul Luckhardt

Non-executive director

Occupation: National Franchise Manager

Qualifications, experience and expertise: Licensed Real Estate Agent. Licensed Auctioneer. Diploma of Business (Marketing). Member REIQ. Member of Australian Institute of Company Directors. REIQ Commercial & Industrial Committee Board Member. Former member of Griffith University (Logan Campus). Development Advisory Board GAICD.

Special responsibilities: LCFSL Chair, Member of Governance, Audit & Human Resources Committee, SEQ Representative Community Bank National

Interest in shares: 6,950 ordinary shares

Robert Leslie Herriott

Non-executive director

Occupation: Retired

Qualifications, experience and expertise: Retired from 30+ years in the financial services & commercial banking sector. During the last 20 years involved in various management positions within Metway and Suncorp Commercial Banking including past Director of Suncorp Subsidiary "Medical Commercial Finance" MCF Rotarian for 15+ years Rotary of Logan, including 2 years as President also holding various other board positions including Treasurer, International Services and Vocational Services.

Special responsibilities: Member Governance, Audit & Human Resources Committee, Member of Community Investment Committee and Strategic Oversight Committee

Interest in shares: 4,000 ordinary shares

Kathleen Robyn Wakeling

Executive Director

Occupation: Chief Executive Officer (CEO)

Qualifications, experience and expertise: Kate has been in the Financial Services industry for over 30 years and holds a Diploma in Financial Planning from Deakin University. Member of Australian Institute of Company Directors (GAICD) and has completed the Company Director course. Member of Governance Institute of Australia (GIA) and completed Certificate in Governance Practice. Keen to encourage diversity in the workforce, Kate is also a member of Financial Executive Women (FEW) and Women on Boards (WoB).

Special responsibilities: Member of Governance, Audit and Human Resources Committee, Member of Community Investment Committee, Chair of Strategic Oversight Committee

Interest in shares: 2,250 ordinary shares

Directors' report (continued)

Directors (continued)

David William Ekert

Non-executive director

Occupation: Consultant

Qualifications, experience and expertise: David is an experienced and flexible Senior Executive Consultant and Teacher with many years' experience in general management, IT and business project management, financial management and accounting, strategic planning and business analysis. David is heavily involved in the Logan community. He was a member of the Rotary Club of Logan for 18 years, having served three terms as President and many other Club Board roles, as well as representing the Club in other community forums. He has been awarded Honorary Membership of the Club in recognition of his service. He has also served on the Management Committee of Canefields Clubhouse and Griffith University's Logan Campus Development Advisory Board. David currently serves as a Director of the national body managing the affairs of Probus Clubs across Australia and New Zealand. David holds a Bachelor's degree in accounting, an MBA specialising in Strategic Management and Marketing, and is a Certified Practising Accountant.

Special responsibilities: Treasurer, Member Governance, Audit & Human Resources Committee, Member Strategic Oversight Committee

Interest in shares: 4,450 Ordinary shares

Lachlan Stewart

Non-executive director

Occupation: Teacher, Business Owner & Personal Trainer

Qualifications, experience and expertise: A diverse background spanning education, fitness, technology and governance. Hold a Bachelor of Education and is a graduate of the Australian Institute of Company Directors Company Directors Course (GAICD). In addition, holds Certificates III and IV in Fitness and hold multiple coding certifications across SQL, Python, HTML, CSS, Web Application Development and Cloud Computing. Lachlan's professional journey includes over 15 years of experience running a successful personal training and group fitness business. He also brings experience in commercial property management. In the education sector, has worked with Queensland Education as a teacher. He previously serviced as a Non-Executive Director for the Alive Project and as a Management Committee Representative for Logan Basketball Inc. In the cross-sector experience, combined with formal qualifications and a commitment to lifelong learning, enables him to bring a unique and adaptable perspective to any role, particularly in leadership, governance and community-focused initiatives.

Special responsibilities: Chair of Community Investment Committee

Interest in shares: 3,950 ordinary shares

Leanne Nicole Taylor

Non-executive director

Occupation: Registered Migration Agent/Para-Legal

Qualifications, experience and expertise: 35+ years' experience working within the legal industry in various roles including management level positions. Completed prerequisite study to become a Registered Migration Agent in 2003. Currently working in a dual role as a Migration Law Advisor and TPD Claim Paralegal assisting clients after significant injury prevents them from being able to work. Long-standing member of the Migration Institute of Australia, Member of the Beenleigh Yatala Chamber of Commerce, Doyles Qld Award Winner - Migration category 2021-2023 and 2025.

Special responsibilities: Chair of Governance, Audit and Human Resources Committee & Member of Strategic Oversight Committee

Interest in shares: 4,200 ordinary shares

Directors' report (continued)

Directors (continued)

Leeanne Kay Braund

Non-executive director

Occupation: Branch Administrator - City of Gold Coast

Qualifications, experience and expertise: Personal Assistant at Gold Coast City Council, Practice Manager at Ramsay Health, Former Consultant to Queensland Health and former Mortgage Broker and the current Secretary of Discovery Park Tennis Inc. and Tennis Gold Coast Regional Assembly and Labrador Touch Association.

Special responsibilities: Member of Strategic Overview Committee and Member of Community Investment Committee

Interest in shares: Nil ordinary shares

Joshua Pascoe (Appointed 1 April 2025)

Non-executive director

Occupation: CEO Basketball Qld Ltd

Qualifications, experience and expertise: 15 years experience within management and executive level roles. Bachelor of Laws and Bachelor of Human Movement Science. Founding organising committee member of the Lismore Samson Fitness Challenge.

Special responsibilities: Nil

Interest in shares: Nil ordinary shares

Brett Blair Raguse (Resigned 31/3/2025)

Non-executive director

Occupation: Company Director - Strategem Pty Ltd & MiCasa Realty Holdings Pty Ltd

Special responsibilities: Nil

Interest in shares: 13,300 ordinary shares

Directors were in office for this entire year unless otherwise stated.

No directors have material interest in contracts or proposed contracts with the company.

Company Secretary

The company secretary is Michelle Todd. Michelle was appointed to the position of secretary on 1 January 2023.

Qualifications, experience and expertise: Michelle has been the Executive Officer for LCFSL for over 18 years, during which she has assisted all previous Company Secretary's in this role, Michelle has a good understanding and importance of this position.

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 these activities during the financial year.

Directors' report (continued)

Review of Operations

The company's operations has produced the following results:

	2025 \$	2024 \$	Up/Down	Movement \$	%
Revenue	6,128,451	5,565,201	Up	563,250	10%
Profit after income tax expense	688,115	686,505	Up	1,610	0.2%
Total comprehensive income for the year attributable to the ordinary shareholders of the company	688,115	686,505	Up	1,610	0.2%

	2025 \$	2024 \$
Profit (loss) after tax attributable to members reported for the 1st half year	534,290	315,069
Profit (loss) after tax attributable to members reported for the 2nd half year	153,825	371,436

Operations have continued to perform in line with expectations.

Operating and financial review

Overview of company

The company is a franchisee of Bendigo Bank providing financial products and services to individuals, businesses and organisations throughout the local area via the Community Bank branches at Helensvale, Browns Plains, Springwood and Beenleigh. While the branches offer the full suite of Bendigo & Adelaide Bank products and services, margin earnings from firstly loans and then deposits are the predominant contributor to company results.

The general nature of the business market for the company has seen steady growth, particularly in deposit funds. Counteracting this to an extent is the likelihood on further reduction in interest rates by the Reserve Bank of Australia, increased competition from other financial institutions and a housing market that is under pressure due to short supply and increasing costs of home ownership. The Company continues to encourage staff to actively pursue new customers etc. The Company has utilised the increased income to provide record levels of donations and sponsorships to community organisations in Logan and the northern Gold Coast.

Key Metrics

Five year summary of performance	Unit	2025	2024	2023	2022	2021
Operating revenue	\$	6,128,451	5,565,201	4,971,715	3,379,180	3,775,746
Earnings before interest, tax, depreciation, and amortisation	\$	1,433,434	1,351,079	1,553,198	752,465	830,087
Earnings before interest and tax	\$	990,832	995,436	1,233,226	413,667	502,095
Net profit after tax	\$	688,115	686,505	909,851	278,214	344,354
Total assets	\$	5,778,928	5,810,173	4,329,243	3,589,245	3,867,248
Total liabilities	\$	1,711,561	2,016,286	902,910	913,288	1,310,030
Total equity	\$	4,067,367	3,793,887	3,426,333	2,675,957	2,557,218
Net cash flow from operating activities	\$	1,156,766	1,001,878	1,363,959	471,402	684,505
Business footings ¹	\$m	779	659	506	516	496

Directors' report (continued)

Operating and financial review (continued)

Shareholder returns

	Unit	2025	2024	2023	2022	2021
Profit attributable to owners of the company	\$	688,115	686,505	909,851	278,214	344,354
Basic earnings per share	¢	21.50	21.45	28.43	7.93	10.76
Dividends paid	\$	414,635	318,951	159,475	159,475	181,802
Dividends per share	¢	13.00	10.00	5.00	5.00	5.70
Profit before tax per \$1 of revenue	¢	0.15	0.17	0.24	0.11	0.12
Profit after tax per \$1 of equity	¢	0.17	0.18	0.27	0.10	0.13
Net tangible assets per share	¢	0.98	0.89	1.07	0.82	0.76
Price earnings ratio	\$	29.45	33.00	49.88	15.86	18.55
Share price	\$	0.73	0.65	0.57	0.50	0.58

1 This is a non-IFRS measure of the business domiciled to the company from the franchisor. The footings is the underlying business which generates revenue under the Franchise Agreement. Business footings include loans, deposits, wealth products, and other business.

Returns to shareholders increased through both dividends and capital growth. Dividends for 2025 were fully franked and it is expected that dividends in the future years will continue to be fully franked.

Financial Position

The company continued to improve profitability in this financial year, mainly due to an increase of 10.1% in total revenue compared to the previous year. This movement in revenue, combined with close management of expenses has enabled the company to continue to report a strong net profit. The Company has also increased its community contributions (including contributions to the Community Enterprise Foundation) by \$281,681 compared to 2024.

The cash and cash equivalents position of the company has improved for the reporting year by \$176,405 for a year-end balance of \$2,646,425.

The company continues to build a resilient balance sheet, ending June 2025 with net assets of \$4,067,367 and Working Capital of \$2,426,185.

Drivers of business performance

The results for the 2024/25 financial year have been driven mainly by a rapid growth in mortgage lending and deposits, resulting in an increase in revenue of 10%. Net interest margin returns under the revenue share arrangement have increased due to increased levels of business from existing and new customers.

Business strategies

To address the current stage of development of the business and in recognition of the current financial circumstances, both in the economy and the observed impact upon the Bendigo profit share model, the Board has determined to continue the focus upon five broad directions:

1. Strengthening our connection and level of engagement between important stakeholders and partners.
2. Strengthening our Directors role in our business structure and key customer and community segments.
3. Defining our future board skill and diversity mix and a structure that will deliver our Strategic Plan.
4. Focussing our business on the most profitable growth opportunities using our own local marketing plans.
5. Planning to achieve our future business performance expectations.

Directors' report (continued)

Operating and financial review (continued)

Future outlook

The company believes there are opportunities to develop additional revenue through:

1. Acquiring additional customers through greater community based events and a focus on local businesses.
2. Improving the range and number of products and services, such as insurance, for each customer.

The company anticipates that current market conditions will remain challenging during the forthcoming financial year. In this environment the company will focus upon increasing the number of customers and the uptake of products and services, thereby further improving revenue flow and profitability.

Remuneration report

Key management personal remuneration policy

Total compensation for all non-executive directors, last voted upon by shareholders at the 2024 AGM, is not to exceed \$70,000 per annum. The base fee for the chairperson is \$9,000 per annum. Other directors received a payment of \$2,750 per annum based on attendance of 11 board meetings @\$250 per meeting.

Non-executive director members are also remunerated for their role as Treasurer (\$5,000 per annum), and Committee Chair (\$3,000 per annum.)

Non-executive director members who sit on one or more committees received a payment of \$75 per Committee/ Meeting attended.

Non-executive directors do not receive performance-related compensation and are not provided with retirement benefits apart from statutory superannuation.

Key management performance based remuneration

Key management personnel	2025 \$	2024 \$
Jason Paul Luckhardt	12,670	12,983
Brett Blair Raguse	771	2,958
Robert Leslie Herriott	4,861	5,563
Kathleen Robyn Wakeling	178,400	189,645
David William Ekert	9,808	9,737
Lachlan Stewart	7,522	6,987
Leanne Nicole Taylor	7,148	5,536
Leeanne Braund	3,803	928
Joshua Pascoe	856	-
Maria Elita	-	1,544
	225,840	235,881

Kathleen Robyn Wakeling is an executive director who commenced as CEO on 1 November 2022. As such her salary and superannuation for the role have been disclosed with the directors fees.

Directors' report (continued)

Operating and financial review (continued)

Key management personnel compensation

Key management personnel compensation comprised the following.

	2025 \$	2024 \$
Short-term employee benefits	178,471	212,505
Post-employment benefits	47,369	23,376
	225,840	235,881

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

Directors' interests

	Fully paid ordinary shares		
	Balance at start of the year	Changes during the year	Balance at end of the year
Jason Paul Luckhardt	6,450	500	6,950
Brett Blair Raguse	13,300	-	13,300
Robert Leslie Herriott	3,500	500	4,000
Kathleen Robyn Wakeling	2,250	-	2,250
David William Ekert	3,950	500	4,450
Lachlan Stewart	3,450	500	3,950
Leanne Nicole Taylor	3,700	500	4,200
Leeanne Braund	-	-	-
Joshua Pascoe	-	-	-

Dividends

	Year ended 30 June 2025	
	Cents	\$
Dividends:		
- Dividends provided for and paid in the year	13.00	414,635

Significant changes in the state of affairs

On 1 July 2024, Bendigo Bank updated the Funds Transfer Pricing (FTP) base rate on certain deposits which has reduced the income earned on these products.

There were no other significant changes in the state of affairs of the company that occurred during the financial year.

Directors' report (continued)

Matters subsequent to the end of the financial year

The Company has executed a new lease agreement with respect to its Helensvale Branch, with the new term commencing on 6 August 2025 and ending on 5 August 2030, ensuring continuity of operation at these premises. The premises will be extensively refurbished as a condition of the new 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

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.

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 27 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.

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.

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.

Directors' report (continued)

Meetings of directors

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

	Board Meetings Attended		Committee Meetings Attended					
	E	A	Community Investment		Governance Audit & HR		Strategic Oversight	
	E	A	E	A	E	A	E	A
Jason Paul Luckhardt	11	11	-	-	9	9	-	-
Brett Blair Raguse	8	5	11	5	-	-	-	-
Robert Leslie Herriott	11	11	11	11	9	8	2	2
Kathleen Robyn Wakeling	11	11	11	11	9	9	2	2
David William Ekert	11	11	-	-	9	9	2	2
Lachlan Stewart	11	11	11	11	-	-	-	-
Leanne Nicole Taylor	11	10	-	-	9	8	2	2
Leeanne Braund	11	10	11	10	-	-	2	2
Joshua Pascoe	3	3	-	-	-	-	-	-

E - eligible to attend

A - number attended

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*.

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 26 to the accounts.

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

Directors' report (continued)

Auditor's independence declaration

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

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

On behalf of the directors

A handwritten signature in black ink, appearing to be 'Jason Paul Luckhardt', written over a horizontal line.

Jason Paul Luckhardt, Chair

11 September 2025

Auditor's independence declaration



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

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Logan Community Financial Services Limited

As lead auditor for the audit of Logan 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.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart'.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 11 September 2025

A handwritten signature in black ink, appearing to read 'Joshua Griffin'.

Joshua Griffin
Lead Auditor

Financial statements

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue from contracts with customers	6	6,037,474	5,472,462
Other revenue	7	-	21,352
Finance revenue	8	90,977	71,387
Total revenue		6,128,451	5,565,201
Employee benefit expenses	9	(3,294,175)	(2,950,014)
Advertising and marketing costs		(76,953)	(42,230)
Occupancy and associated costs		(159,976)	(215,773)
Systems costs		(136,236)	(139,798)
Depreciation and amortisation expense	9	(442,602)	(355,643)
Finance costs	9	(87,722)	(57,295)
General administration expenses		(311,079)	(431,391)
Total expenses before community contributions and income tax		(4,508,743)	(4,192,144)
Profit before community contributions and income tax expense		1,619,708	1,373,057
Charitable donations and sponsorships expense	9	(716,598)	(434,916)
Profit before income tax expense		903,110	938,141
Income tax expense	10	(214,995)	(251,636)
Profit after income tax expense		688,115	686,505
Total comprehensive income for the year attributable to the ordinary shareholders of the company:		688,115	686,505
Earnings per share		¢	¢
- Basic and diluted earnings per share:	28	21.50	21.45

The accompanying notes form part of these financial statements

Financial statements (continued)

Statement of Financial Position as at 30 June 2025

	Note	2025 \$	2024 \$
ASSETS			
Current assets			
Cash and cash equivalents	11	2,646,425	2,470,020
Trade and other receivables	12	313,265	326,900
Financial assets	13	7,000	7,000
Total current assets		2,966,690	2,803,920
Non-current assets			
Property, plant and equipment	14	806,710	712,974
Right-of-use assets	15	1,064,689	1,332,452
Intangible assets	16	885,904	939,824
Deferred tax asset	10	54,935	21,003
Total non-current assets		2,812,238	3,006,253
Total assets		5,778,928	5,810,173
LIABILITIES			
Current liabilities			
Trade and other payables	17	172,128	247,706
Current tax liabilities	10	36,002	23,063
Lease liabilities	18	240,019	295,938
Employee benefits	19	92,356	73,447
Total current liabilities		540,505	640,154
Non-current liabilities			
Trade and other payables	17	116,406	174,608
Lease liabilities	18	956,875	1,114,166
Employee benefits	19	14,135	8,712
Provisions	20	83,640	78,646
Total non-current liabilities		1,171,056	1,376,132
Total liabilities		1,711,561	2,016,286
Net assets		4,067,367	3,793,887
EQUITY			
Issued capital	21	3,042,211	3,042,211
Retained earnings		1,025,156	751,676
Total equity		4,067,367	3,793,887

The accompanying notes form part of these financial statements

Financial statements (continued)

Statement of Changes in Equity for the year ended 30 June 2025

	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2023		3,042,211	384,122	3,426,333
Total comprehensive income for the year		-	686,505	686,505
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	23	-	(318,951)	(318,951)
Balance at 30 June 2024		3,042,211	751,676	3,793,887
Balance at 1 July 2024		3,042,211	751,676	3,793,887
Total comprehensive income for the year		-	688,115	688,115
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	23	-	(414,635)	(414,635)
Balance at 30 June 2025		3,042,211	1,025,156	4,067,367

The accompanying notes form part of these financial statements

Financial statements (continued)

Statement of Cash Flows for the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers		6,654,854	5,994,192
Payments to suppliers and employees		(5,353,077)	(4,578,969)
Interest received		90,977	71,387
Interest paid		-	(644)
Income taxes paid		(235,988)	(484,088)
Net cash provided by operating activities	25	1,156,766	1,001,878
Cash flows from investing activities			
Payments for property, plant and equipment		(216,877)	(400,916)
Proceeds from sale of property, plant and equipment		-	1,144,155
Payments for intangible assets		(52,911)	(66,851)
Purchase of rights to revenue stream		-	(724,144)
Net cash used in investing activities		(269,788)	(47,756)
Cash flows from financing activities			
Repayment of loans and borrowings		-	(2,066)
Repayment of lease liabilities		(295,938)	(209,725)
Dividends paid	23	(414,635)	(318,951)
Net cash used in financing activities		(710,573)	(530,742)
Net cash increase in cash held		176,405	423,380
Cash and cash equivalents at the beginning of the financial year		2,470,020	2,046,640
Cash and cash equivalents at the end of the financial year	11	2,646,425	2,470,020

The accompanying notes form part of these financial statements

Notes to the financial statements

For the year ended 30 June 2025

Note 1 Reporting entity

This is the financial report for Logan Community Financial Services Limited (the company). The company is a for profit entity limited by shares, and incorporated and domiciled in Australia. The registered office and principal place of business is:

Registered Office

First Floor, 13 Vanessa Boulevard
Springwood QLD 4127

Principal Place of Business

First Floor, 13 Vanessa Boulevard
Springwood QLD 4127

Further information on the nature of the operations and principal activity of the company is provided in the directors' report. Information on the company's related party relationships is provided in Note 27.

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, except for certain properties, financial instruments, and equity financial assets that are measured at revalued amounts or fair values at the end of each reporting period. The financial report is presented in Australian dollars and all values are rounded to the nearest dollar, unless otherwise stated.

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.

These financial statements for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the directors.

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.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Accounting standards issued but not yet effective

An assessment of accounting standards and interpretations issued by the AASB that are not yet mandatorily applicable to the company has been performed. No new or amended Accounting Standards or Interpretations that are not mandatory have been early adopted, nor are they expected to have a material impact on the company in future financial years.

Current and non-current classification

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

Impairment of non-financial assets

At each reporting date, the company reviews the carrying amounts of its tangible assets and intangible asset 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 the impairment loss (if any).

Notes to the financial statements (continued)

Note 3. Material accounting policy information (continued)

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 Significant 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

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Timing of revenue recognition associated with trail commission

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

Allowance for expected credit losses on trade and other receivables

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

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. |

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.

Notes to the financial statements (continued)

Note 4 Significant accounting judgements, estimates, and assumptions (continued)

Recovery of deferred tax assets

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

Lease term

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

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

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

Estimates and assumptions

Estimation of useful lives of assets

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

Incremental borrowing rate

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

Employee benefits provision

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

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

In the absence of sufficient historical employee attrition rates, the company applies a benchmark probability rate from across the Community Bank network to factor in estimating the probability of an employee, at a given date, achieving continuous employment eligible for entitlement in accordance with legislation.

Lease make good provision

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

Notes to the financial statements (continued)

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 directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in June 2028.

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 \$
Revenue:		
- Revenue from contracts with customers	6,037,474	5,472,462
	6,037,474	5,472,462
<i>Disaggregation of revenue from contracts with customers</i>		
At a point in time:		
Margin income	5,466,706	4,910,741
Fee income	284,133	276,615
Commission income	286,635	285,106
	6,037,474	5,472,462

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.

Notes to the financial statements (continued)

Note 6 Revenue from contracts with customers (continued)

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 Goods and Services Tax (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 – margin, commission and fee income. Bendigo Bank decides the form of revenue the company earns on different types of products and services. The revenue earned by the company is dependent on the business that it generates.

Margin income

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

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

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

Commission income

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

Fee income

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

Core banking products

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

Ability to change financial return

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

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.

Notes to the financial statements (continued)

Note 7 Other revenue

	2025 \$	2024 \$
Sale of property, plant and equipment	-	21,352
	-	21,352

Accounting policy for other revenue

The company's activities include the generation of income from sources other than the core products under the franchise agreement. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and can be reliably measured.

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

Note 8 Finance revenue

	2025 \$	2024 \$
Term deposits	90,977	71,387
	90,977	71,387

Accounting policy for finance revenue

Finance income is recognised when earned using the effective interest rate method.

Note 9 Expenses

Employee benefit expenses

	2025 \$	2024 \$
Wages and salaries	2,686,289	2,442,858
Non-cash benefits	24,859	8,016
Contributions to defined contribution plans	309,570	270,533
Expenses related to long service leave	5,514	(4,785)
Other expenses	267,943	233,392
	3,294,175	2,950,014

Accounting policy for employee benefits

The company seconded employees from Bendigo and Adelaide Bank Limited. The total cost of these employees, including an allowance for accrued annual and long service leave, is charged to the company by Bendigo and Adelaide Bank Limited by offsetting against the monthly profit share arrangement. The company recognises these costs as an expense on a monthly basis.

Depreciation and amortisation expense

	2025 \$	2024 \$
<i>Depreciation of non-current assets:</i>		
Buildings	-	5,875
Leasehold improvements	56,332	50,348
Plant and equipment	58,423	48,393
Motor vehicles	6,164	4,221
	120,919	108,837

Notes to the financial statements (continued)

Note 9 Expenses (continued)

	2025 \$	2024 \$
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	267,763	197,928
	267,763	197,928
<i>Amortisation of intangible assets:</i>		
Franchise fee	8,988	8,147
Franchise renewal process fee	44,932	40,731
	53,920	48,878
Total depreciation and amortisation expense	442,602	355,643

Finance costs

Bank loan interest paid or accrued	-	644
Lease interest expense	82,728	52,754
Unwinding of make-good provision	4,994	3,897
	87,722	57,295

Finance costs are recognised as expenses when incurred using the effective interest rate.

Charitable donations, sponsorship, advertising and promotion

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 sponsorships, grants and donations).

	2025 \$	2024 \$
Direct sponsorships, grants and donations	348,177	172,258
Contribution to the Community Enterprise Foundation	368,421	262,658
	716,598	434,916

The funds contributed are held by the Community Enterprise Foundation (CEF) and 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.

Community Enterprise Foundation contributions

During the financial year the company contributed funds to the Community Enterprise Foundation (CEF), the philanthropic arm of the Bendigo Bank. These contributions paid in form part of charitable donations and sponsorship expenditure included in profit or loss.

	2025 \$	2024 \$
<i>Disaggregation of CEF funds</i>		
Opening balance	691,642	502,759
Contributions paid in	368,421	262,658
Grants paid out	(185,845)	(80,791)
Interest received	28,925	22,060
Management fees incurred	(18,421)	(15,044)
Balance available for distribution	884,722	691,642

Notes to the financial statements (continued)

Note 10 Income tax expense

	2025 \$	2024 \$
Amounts recognised in profit or loss		
Current tax expense/(credit)		
Current tax	248,927	267,832
Movement in deferred tax	(33,932)	(16,196)
	214,995	251,636
Prima facie income tax reconciliation		
Operating profit before taxation	903,110	938,141
Prima facie tax on profit/(loss) from ordinary activities at 25% (2024: 25%)	225,778	234,535
Tax effect of:		
Non-deductible expenses	5,275	2,654
Temporary differences	17,874	30,643
Movement in deferred tax	(33,932)	(16,196)
	214,995	251,636
Deferred tax		
<i>Deferred tax assets</i>		
expense accruals	1,900	1,600
employee provisions	27,113	20,616
make-good provision	20,910	19,662
lease liability	299,224	352,526
carried-forward capital losses	15,529	-
Total deferred tax assets	364,676	394,404
<i>Deferred tax liabilities</i>		
deductible prepayments	-	758
property, plant and equipment	43,569	39,530
right-of-use assets	266,172	333,113
Total deferred tax liabilities	309,741	373,401
Deferred taxes brought to account	-	-
Net deferred tax assets (liabilities)	54,935	21,003
Current tax		
Income tax payable/(refundable)	36,002	23,063

Accounting policy for income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Accounting policy for current tax

Current tax assets and liabilities are measured at amounts expected to be recovered from or paid to the taxation authorities. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by the reporting date.

Accounting policy for deferred tax

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Notes to the financial statements (continued)

Note 11 Cash and cash equivalents

	2025 \$	2024 \$
Cash at bank and on hand	2,572,296	2,398,965
Term deposits	74,129	71,055
	2,646,425	2,470,020

Accounting policy for cash and cash equivalents

For the purposes of the statement of financial position and statement of cash flows, cash and cash equivalents comprise cash on hand and short-term deposits held with banks.

Note 12 Trade and other receivables

	2025 \$	2024 \$
<i>Current assets</i>		
Trade receivables	306,390	315,432
Prepayments	-	4,593
Other receivables and accruals	6,875	6,875
	313,265	326,900

Accounting policy for trade and other receivables

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

Note 13 Financial assets

The company classifies investments as a current asset when it expects to realise the asset, or intends to sell or consume it, no more than 12 months after the reporting period. All other investments are classified as non-current.

	2025 \$	2024 \$
<i>Current assets</i>		
Equity securities - at FVTPL	7,000	7,000
	7,000	7,000

Accounting policy for financial assets

Financial assets are recognised at their market value. Financial assets are derecognised when the rights to receive cash flows have been transferred and the company has transferred substantially all the risks and rewards of ownership.

Note 14 Property, plant and equipment

	2025 \$	2024 \$
<i>Leasehold improvements</i>		
At cost	790,402	705,387
Less: accumulated depreciation	(257,467)	(208,109)
	532,935	497,278

Notes to the financial statements (continued)

Note 14 Property, plant and equipment (continued)

	2025 \$	2024 \$
<i>Plant and equipment</i>		
At cost	443,655	363,547
Less: accumulated depreciation	(188,371)	(172,506)
	255,284	191,041
<i>Motor vehicles</i>		
At cost	63,030	63,030
Less: accumulated depreciation	(44,539)	(38,375)
	18,491	24,655
Total written down amount	806,710	712,974

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

	2025 \$	2024 \$
<i>Land</i>		
Carrying amount at beginning	-	724,942
Disposals	-	(724,942)
	-	-
<i>Buildings</i>		
Carrying amount at beginning	-	162,967
Disposals	-	(157,092)
Depreciation	-	(5,875)
	-	-
<i>Leasehold improvements</i>		
Carrying amount at beginning	497,278	586,313
Additions	94,211	233,256
Disposals	(2,222)	(271,943)
Depreciation	(56,332)	(50,348)
	532,935	497,278
<i>Plant and equipment</i>		
Carrying amount at beginning	191,041	90,825
Additions	122,666	163,783
Disposals	-	(15,174)
Depreciation	(58,423)	(48,393)
	255,284	191,041
<i>Motor vehicles</i>		
Carrying amount at beginning	24,655	-
Additions	-	28,876
Depreciation	(6,164)	(4,221)
	18,491	24,655
Total written down amount	806,710	712,974

Notes to the financial statements (continued)

Note 14 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/straight-line basis to write off the net cost of each item of property, plant and equipment over their expected useful lives as follows:

Asset class	Method	Useful life
Building	Straight-line	40 years
Leasehold improvements	Straight-line	over the lease term
Plant and equipment	Straight-line and diminishing value	5 to 15 years
Motor vehicles	Diminishing value	3 to 8 years

Accounting policy for property, plant and equipment (continued)

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

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.

Changes in estimates

During the financial year, the company assessed estimates used for property, plant and equipment including useful lives, residual values, and depreciation methods. There were no changes in estimates for the current reporting period.

Note 15 Right-of-use assets

	2025 \$	2024 \$
<i>Leased land and buildings</i>		
At cost	1,937,125	1,937,125
Less: accumulated depreciation	(872,436)	(604,673)
Total written down amount	1,064,689	1,332,452
Reconciliations of the carrying values at the beginning and end of the current and previous financial year are set out below:		
<i>Leased land and buildings</i>		
Carrying amount at beginning	1,332,452	444,222
Additional right-of-use assets recognised	-	751,322
Remeasurement adjustments	-	334,836
Depreciation	(267,763)	(197,928)
Total written down amount	1,064,689	1,332,452

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 18 for more information on lease arrangements.

Notes to the financial statements (continued)

Note 16 Intangible assets

	2025 \$	2024 \$
<i>Franchise fee</i>		
At cost	44,098	44,098
Less: accumulated amortisation	(17,135)	(8,147)
	26,963	35,951
<i>Franchise renewal process fee</i>		
At cost	220,459	220,459
Less: accumulated amortisation	(85,663)	(40,731)
	134,796	179,728
<i>Rights to revenue - Broadwater FSL</i>		
At cost	724,145	724,145
Less: accumulated amortisation	-	-
	724,145	724,145
Total written down amount	885,904	939,824

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

	2025 \$	2024 \$
<i>Franchise fee</i>		
Carrying amount at beginning	35,951	-
Additions	-	44,098
Amortisation	(8,988)	(8,147)
	26,963	35,951
<i>Franchise renewal process fee</i>		
Carrying amount at beginning	179,728	-
Additions	-	220,459
Amortisation	(44,932)	(40,731)
	134,796	179,728
<i>Rights to revenue - Broadwater FSL</i>		
Carrying amount at beginning	724,145	-
Additions	-	724,145
Amortisation	-	-
	724,145	724,145
Total written down amount	885,904	939,824

Additions

In the prior year, in November 2023 the company made a strategic acquisition by purchasing the revenue rights associated with Broadwater Financial Services Limited. The purchase price of these revenue rights was \$724,145.

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 and the revenue rights associated with Broadwater FSL.

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.

Notes to the financial statements (continued)

Note 16 Intangible assets (continued)

The franchise fees paid by the company are amortised over their useful life and assessed for impairment whenever impairment indicators are present. The useful life of the revenue rights associated with Broadwater FSL was previously assessed to be indefinite, this has been reassessed by the Directors this year with a change in estimate documented below.

Accounting policy for intangible assets continued

The estimated useful life and amortisation method for the current and comparative periods are as follows:

Asset class	Method	Useful life
Franchise fee	Straight-line	Over the franchise term (5 years)
Franchise renewal process fee	Straight-line	Over the franchise term (5 years)
Rights to revenue	Straight-line	8 years

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

Changes in estimates

The Directors reviewed the useful life of its intangible assets relating to rights to revenue share associated with Broadwater FSL.

During the year, Bendigo Bank announced that future Community Bank franchise agreements will transition to a fixed 5-year term with no automatic renewal options, while existing agreements and any embedded renewal terms will continue to be honoured. As a result, the company has reassessed the useful life of its rights to revenue share. These assets, previously assessed as having an indefinite useful life, are now considered to have a finite life limited to the remaining contractual term of the current franchise agreement (including any embedded renewals).

Accordingly, this represents a change in accounting estimate applied prospectively, with amortisation to be recognised over the revised useful life of 8-years from 1 July 2025 to 30 June 2033.

The effect of this change on amortisation expense is expected to be as follows:

Year	2026	2027	2028	2029	2030+
(Increase) in amortisation expense	(90,518)	(90,518)	(90,518)	(90,518)	(362,073)

Note 17 Trade and other payables

	2025 \$	2024 \$
<i>Current liabilities</i>		
Trade creditors	48,333	10,205
Other payables and accruals	123,795	237,501
	172,128	247,706
<i>Non-current liabilities</i>		
Other payables and accruals	116,406	174,608
	116,406	174,608
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	288,534	422,314
less other payables and accruals (net GST payable to the ATO)	(21,473)	(147,242)
	267,061	275,072

Accounting policy for trade and other payables

Where the company is liable to settle an amount within 12 months of reporting date, the liability is classified as current. All other obligations are classified as non-current.

Notes to the financial statements (continued)

Note 18 Lease liabilities

	2025 \$	2024 \$
<i>Current liabilities</i>		
Property lease liabilities	240,019	295,938
<i>Non-current liabilities</i>		
Property lease liabilities	956,875	1,114,166
<i>Reconciliation of lease liabilities</i>		
Balance at the beginning	1,410,104	506,810
Additional lease liabilities recognised	-	713,810
Remeasurement adjustments	-	346,455
Lease interest expense	82,728	52,754
Lease payments - total cash outflow	(295,938)	(209,725)
	1,196,894	1,410,104

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.

Lease	Discount rate	Non-cancellable term	Renewal options	Reasonably certain to exercise options	Lease term end date used in calculations
Beenleigh Branch	7.50%	5 years	1 x 5 years	Yes	August 2034
Browns Plains Branch	4.39%	5 years	N/A	N/A	June 2029
Springwood Branch	7.50%	5 years	1 x 5 years	Yes	October 2033
Helensvale Branch	7.50%	N/A	N/A	N/A	August 2025
Administration Office	7.50%	3 years	N/A	N/A	April 2027

Note 19 Employee benefits

	2025 \$	2024 \$
<i>Current liabilities</i>		
Provision for annual leave	72,380	53,025
Provision for long service leave	19,976	20,422
	92,356	73,447
<i>Non-current liabilities</i>		
Provision for long service leave	14,135	8,712
	14,135	8,712

Notes to the financial statements (continued)

Note 19 Employee benefits (continued)

Accounting policy for short-term employee benefits

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

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

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

Note 20 Provisions

	2025 \$	2024 \$
<i>Non-current liabilities</i>		
Make-good on leased premises	83,640	78,646
	83,640	78,646

In accordance with the branch lease agreements, the company must restore the leased premises to their original condition before the expiry of the lease term. The company has estimated the provision to be \$83,640 based on experience and consideration of the expected future costs to remove all fittings and the ATM as well as the cost to remedy any damages caused during the removal process. Lease expiry dates are per Note 18, at which time it is expected the face-value costs to restore the premises will fall due.

Note 21 Issued capital

	2025		2024	
	Number	\$	Number	\$
Ordinary shares - fully paid	3,200,010	3,092,000	3,200,010	3,092,000
Less: equity raising costs	-	(49,789)	-	(49,789)
	3,200,010	3,042,211	3,200,010	3,042,211

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.

Notes to the financial statements (continued)

Note 21 Issued capital (continued)

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 1029. As at the date of this report, the company had 1056 shareholders (2024: 1059 shareholders).

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

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

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

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

Note 22 Capital management

The board's policy is to maintain a strong capital base so as to sustain future development of the company. The board of directors monitor the return on capital and the level of 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 year ended 30 June 2025 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.

Notes to the financial statements (continued)

Note 23 Dividends provided for or paid

Dividends provided for and paid during the period

The following dividends were provided for and paid to shareholders during the reporting period as presented in the statement of changes in equity and statement of cash flows.

	30 June 2025		30 June 2024	
	Cents	\$	Cents	\$
Fully franked dividend	13.00	414,635	10.00	318,951
Total dividends provided for and paid during the financial year	13.00	414,635	10.00	318,951

The tax rate at which dividends have been franked is 25%.

	2025 \$	2024 \$
<i>Franking account balance</i>		
Franking credits available for subsequent reporting periods		
Franking account balance at the beginning of the financial year	642,396	264,626
Franking transactions during the financial year:		
- Franking credits (debits) arising from income taxes paid (refunded)	(58,526)	183,231
- Franking credits from income tax instalments paid	294,515	300,856
- Franking debits from the payment of franked distributions	(138,212)	(106,317)
Franking account balance at the end of the financial year	740,173	642,396
Franking transactions that will arise subsequent to the financial year end:		
- Franking credits (debits) that will arise from payment (refund) of income tax	36,002	26,063
Franking credits available for future reporting periods	776,175	668,459

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 24 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 consolidated entity are liquidity and market (price) risk. Other financial risks are not significant to the company due to the following factors:

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

Notes to the financial statements (continued)

Note 24 Financial risk management (continued)

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

	Note	2025 \$	2024 \$
Financial assets			
Trade and other receivables	12	313,265	322,307
Cash and cash equivalents	11	2,646,425	2,470,020
Financial assets	13	7,000	7,000
		2,966,690	2,799,327
Financial liabilities			
Trade and other payables	17	267,061	275,072
Lease liabilities	18	1,196,894	1,410,104
		1,463,955	1,685,176

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

Accounting policy for financial instruments

Financial assets

Classification

The company classifies its financial assets into the following categories:

- Amortised cost
- Fair value through profit or loss (FVTPL)

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.

The company's financial assets measured at FVTPL comprise investments in listed entities over which the company does not have significant influence nor control.

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 then it is extinguished, cancelled or expires.

Market risk

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

Interest-bearing assets and liabilities are held with Bendigo Bank and subject to movements in market interest.

Equity Price risk

All of the company's listed equity investments are listed on the National Stock Exchange (NSX). Changes in equity securities value is recognise through profit or loss or other comprehensive income.

Notes to the financial statements (continued)

Note 24 Financial risk management (continued)

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.

30 June 2025		Contractual cash flows		
Financial liability	Carrying amount	Not later than 12 months	Between 12 months and five years	Greater than five years
Lease liabilities	1,196,894	240,019	915,741	41,134
Trade payables	267,061	150,655	116,406	-
	1,463,955	390,674	1,032,147	41,134

30 June 2024		Contractual cash flows		
Financial liability	Carrying amount	Not later than 12 months	Between 12 months and five years	Greater than five years
Lease liabilities	1,410,104	295,938	915,741	592,119
Trade payables	275,072	100,464	174,608	-
	1,685,176	396,402	1,090,349	592,119

Note 25 Reconciliation of cash flows from operating activities

	2025 \$	2024 \$
Net profit after tax from ordinary activities	688,115	686,505
Adjustments for:		
- Depreciation	388,682	306,765
- Amortisation	53,920	48,878
- Lease liabilities interest	82,728	52,754
- (Profit)/loss on disposal of non-current assets	2,222	(21,352)
Changes in assets and liabilities:		
- (Increase)/decrease in trade and other receivables	13,635	(65,372)
- (Increase)/decrease in other assets	(33,932)	(16,197)
- Increase/(decrease) in trade and other payables	(80,869)	177,660
- Increase/(decrease) in employee benefits	24,332	44,595
- Increase/(decrease) in provisions	4,994	3,897
- Increase/(decrease) in tax liabilities	12,939	(216,255)
Net cash flows provided by operating activities	1,156,766	1,001,878

Notes to the financial statements (continued)

Note 26 Auditor's remuneration

Amount received or due and receivable by the auditor of the company for the financial year.

	2025 \$	2024 \$
<i>Audit and review services</i>		
- Audit and review of financial statements	21,752	13,280
<i>Non audit services</i>		
- General advisory services	2,070	3,280
- Share registry services	23,121	15,622
Total auditor's remuneration	46,943	32,182

Note 27 Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in the remuneration report which is included in the Director's Report.

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 \$
- The company provided a sponsorship to Discovery Tennis Club Inc, of which a director is associated with. The total benefit received was:	3,000	600
- The company provided a sponsorship to Labrador Touch Association, of which a director is associated with. The total benefit received was:	6,818	1,000
- The company provided a donation to Queensland Basketball, of which a director is associated with. The total benefit received was:	5,000	-
- The company provided a sponsorship to Beenleigh Yatala Chamber of Commerce, of which a director is associated with. The total benefit received was:	3,600	-
- The company provided a donation to Probus Club of Cronula Inc, of which a director is associated with. The total benefit received was:	-	500
Total transactions with related parties	18,418	2,100

Notes to the financial statements (continued)

Note 28 Earnings per share

	2025 \$	2024 \$
Profit attributable to ordinary shareholders	688,115	686,505

	Number	Number
Weighted-average number of ordinary shares	3,200,010	3,200,010

Basic and diluted earnings per share	21.50	21.45
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Accounting policy for earnings per share

Basic and diluted earnings per share is calculated by dividing the profit attributable to the owners of the company, by the weighted average number of ordinary shares outstanding during the financial year.

Note 29 Commitments

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

Note 30 Contingencies

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

Note 31 Events after the reporting period

The Company has executed a new lease agreement with respect to its Helensvale Branch, with the new term commencing on 6 August 2025 and ending on 5 August 2030, ensuring continuity of operation at these premises. The premises will be extensively refurbished as a condition of the new 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.

Directors' declaration

For the financial year ended 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*.



Jason Paul Luckhardt, Chair

11 September 2025

Independent audit report



Andrew Frewin Stewart
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Independent auditor's report to the Directors of Logan Community Financial Services Limited

Report on the Audit of the Financial Report

Our opinion

In our opinion, the accompanying financial report of Logan 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; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

We have audited the financial report of Logan 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.

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.



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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our key audit procedures addressed this
<p>Revenue Share Model</p> <p>The company is a franchise of Bendigo Bank. 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.</p> <p>The company receives the Revenue Share from Bendigo Bank via a monthly profit share statement.</p> <p>Our key audit matter was focused on the following areas of risk:</p> <ul style="list-style-type: none">▪ Revenue is recognised appropriately and in line with AASB 15 Revenue from Contracts with Customers.▪ Reliance on third party auditor EY to review the revenue share model.	<ul style="list-style-type: none">▪ Review monthly profit share statements for the entire year and analytically assess the existence, accuracy and completeness of revenue.▪ EY complete a Community Bank Revenue Share Arrangements report on factual findings biannually, which we plan to review and determine that the scope and testing procedures were sufficient to enable reliance on the monthly profit share reports specifically relating to revenue.

There are no other key audit matters to disclose for the 30 June 2025 audit.



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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 identified above when it becomes available 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.

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.



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Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Logan Community Financial Services Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart'.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 11 September 2025

A handwritten signature in black ink, appearing to read 'Joshua Griffin'.

Joshua Griffin
Lead Auditor

NSX report

Logan Community Financial Services Limited is a public company incorporated in Australia and listed on the National Stock Exchange of Australia (NSX).

Shareholding

The following table shows the number of shareholders, segregated into various categories based on the total number of shares held.

Number of shares held	Number of shareholders	Number of shares held
1 to 1,000	698	472,294
1,001 to 5,000	264	731,341
5,001 to 10,000	50	434,900
10,001 to 100,000	29	850,752
100,001 and over	4	700,215
Total shareholders	1,045	3,189,502

Equity securities

Each of the above shareholders are entitled to 1 vote, irrespective of the number of shares held.

There are no substantial shareholders (holding more than 5% of voting rights) as each shareholder is entitled to 1 vote. Normally holding more than 5% of total issued shares would create a substantial shareholder, but this is not applicable due to the voting restrictions for the company.

There are 21 shareholders holding less than a marketable parcel of shares (\$500 in value).

There are no restricted securities on issue.

All shares on issue are ordinary shares fully paid to \$1 per share. There are no unquoted equity securities.

Ten largest shareholders

The following table shows the 10 largest shareholders.

Shareholder	Number of fully paid shares held	Percentage of issued capital
BENDIGO & ADELAIDE BANK LIMITED	247,500	7.76%
Mr WARREN ANDREW DICKER	228,275	7.16%
EZY INVESTMENTS PTY LTD <EZY HOMES SUPER FUND A/C>	121,940	3.82%
CENTRAL PLUMBING SUPPLIES PTY LTD	102,500	3.21%
WESTFERRY OPERATIONS PTY LTD <THE WESTFERRY FUND A/C>	94,100	2.95%
THE WARING FAMILY SUPERANNUATION FUND	66,000	2.07%
CARLTON SUPER FUND ACCOUNT	60,000	1.88%
WINPAR HOLDINGS LIMITED	56,900	1.78%
Ms LEONIE MCCABE <LEONIE MCCABE SUPER FUND A/C>	50,000	1.57%
THE MILES SUPERANNUATION FUND	50,000	1.57%
	1,077,215	

Registered office and principal administrative office

The registered office of the company is located at:

First Floor, 13 Vanessa Boulevard
Springwood QLD 4127
Phone: 0406 699 273

The principal administrative office of the company is located at:

First Floor, 13 Vanessa Boulevard
Springwood QLD 4127
Phone: 0406 699 273

Security register

The security register (share register) is kept at:

AFS & Associates
61 Bull Street,
Bendigo VIC 3550
Phone: (03) 5443 0344

Company Secretary

Michelle Todd has been the Company Secretary of Logan Community Financial Services Limited for almost 3 years. Michelle has been the Executive Officer for LCFSL for over 18 years, during which she has assisted all previous Company Secretary's in this role, Michelle has a good understanding and importance of this position.

Corporate governance

The company has implemented various corporate governance practices, which include:

- (a) The establishment of an Audit Committee. Members of the Governance, Audit and Human Resources Committee are Jason Luckhardt, Robert Herriott, Kate Wakeling, David Ekert and Leanne Taylor;
- (b) Director approval of operating budgets and monitoring of progress against these budgets;
- (c) Ongoing Director training; and
- (d) Bi-monthly Director meetings to discuss performance and strategic plans.

Community Bank - Beenleigh
106 City Road,
Beenleigh QLD 4207
Phone: 07 3801 8336
Email: beenleighmailbox@bendigoadelaide.com.au
Web: bendigobank.com.au/beenleigh

Community Bank - Browns Plains
111-121 Grand Plaza Drive,
Browns Plains QLD 4118
Phone: 07 3806 9777
Email: brownsplainsmailbox@bendigoadelaide.com.au
Web: bendigobank.com.au/brownsplains

Community Bank - Helensvale
Shop 6a, 12 Sir John Overall Drive,
Helensvale QLD 4212
Phone: 07 5580 3966
Email: helensvalemailbox@bendigoadelaide.com.au
Web: bendigobank.com.au/helensvale

Community Bank - Springwood
Springwood Mall, 34 Fitzgerald Ave,
Springwood QLD 4217
Phone: 07 3208 2611
Email: springwoodmailbox@bendigoadelaide.com.au
Web: bendigobank.com.au/springwood

Franchisee: Logan Community Financial Services Limited
ABN 88 101 143 430
First Floor, 13 Vanessa Boulevard
Springwood QLD 4127
Phone: 0406 699 273
Email: Lcbadmin@cblogan.com.au

Share Registry:
AFS & Associates Pty Ltd
PO Box 454, Bendigo VIC 3552
Phone: 5443 0344
Fax: 5443 5304
Email: shareregistry@afsbendigo.com.au

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