

Annual Report 2026

Logan Community Financial
Services Limited

Community Bank
Beenleigh, Browns Plains,
Helensvale and Springwood

ABN 88 101 148 430



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Chair and CEO's report

For year ending 30 June 2026

As I reflect on the past financial year, I am reminded that resilience is not measured by the absence of challenges, but by how we respond to them. Across Australia's banking sector, the expectations placed on financial institutions continue to evolve. Heightened scrutiny around governance, risk management, compliance, cyber security, and operational resilience has fundamentally changed the environment in which we operate. While these requirements have increased significantly, your Board has embraced this challenge, taking deliberate steps to ensure our organisation is not only compliant with today's standards but well positioned for the demands of tomorrow.



Jason Luckhardt



Kate Wakeling

Throughout the year, we have continued to strengthen our governance frameworks, review our risk management practices, and invest in the capabilities required to navigate an increasingly complex operating environment. These initiatives are not simply about meeting regulatory obligations. They are about protecting the sustainability of our business, safeguarding our customers and shareholders, and ensuring the Community Bank model continues to thrive.

Against a backdrop of ongoing economic uncertainty, cost-of-living pressures, fluctuating interest rate settings, and changing customer behaviours, our business has remained strong and resilient. The results we have achieved are a testament to the loyalty of our customers, the support of our shareholders, and the dedication of our team. This is evidenced by another strong performance posting a profit of \$797,791 after tax.

I would particularly like to acknowledge our branch staff, who continue to demonstrate professionalism, adaptability, and an unwavering commitment to customer service. While the banking landscape continues to evolve at an unprecedented pace, our people remain focused on delivering positive outcomes for customers and achieving strong business performance. Their efforts have been instrumental in ensuring we continue to grow and remain relevant in an increasingly competitive environment.

One of the most significant long-term shifts facing the banking industry is the continued move towards digital banking and a less cash-dependent society. While these changes present challenges for community-based banking organisations, they also reinforce the importance of what sets us apart. At a time when many institutions are reducing their physical presence and moving further away from customers, we remain committed to relationships, accessibility, and genuine community connection. We remind our shareholders, customers and the community that we operate in that it is only through their continued support that we can keep delivering on these intentions.

We believe it is ultimately about people. Technology is an enabler, but trust, advice, and personal service remain at the heart of meaningful customer relationships. Our ongoing investment in branches, our staff, and our community partnerships reflects our belief that local presence still matters and that strong relationships continue to be one of our greatest competitive advantages.

During the year, we continued to support a broad range of community organisations, schools, sporting groups, events, and local initiatives across our region. Through sponsorships, grants, partnerships, and volunteer involvement, we remained committed to creating lasting social and economic benefits within the communities that support us. This commitment remains the defining feature of the Community Bank model and one of the key reasons customers continue to bank with us.

Chairman's report (continued)

Our business growth throughout the year demonstrates the ongoing relevance of this model. Total business footings of \$841.041million, represent our strength, further demonstrated by customer numbers of 17,736. These outcomes reinforce an important message: when community members choose to bank locally, the benefits extend far beyond financial services. They help create a cycle of reinvestment that delivers meaningful outcomes for local people and local organisations.

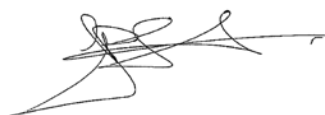
As a result of our performance, we were once again able to deliver strong returns for both our communities and our shareholders. During the year, we invested \$721,952 in charitable donations and sponsorships, supporting 138 community programs and initiatives while continuing to reward shareholders through dividends and sustainable business growth. These outcomes demonstrate that doing good and performing well are not mutually exclusive. They are, in fact, intrinsically linked within the Community Bank model.

Acknowledging some of our great partnerships we point towards the following as examples of what community reinvestment supports. From our long-standing partnership with Logan Basketball Inc. and our Rotary Clubs and Chambers of Commerce in Logan and Northern Gold Coast. Our partnership with Lions@Springwood, supporting their golf day and Go Pink luncheon to raise vital funds for the Mater Foundation. Supporting events like Prawn Day, Logan Business Distinction Awards and the Beenleigh Cane Parade. We continue to work with many schools in the region as well. We have also entered into a partnership with Empower Assistance Dogs, sponsoring a puppy who has been named CASH, he is doing his training around our city that he needs before being handed over to someone requirement a therapy dog.

Looking ahead, while the banking sector will continue to face change, increasing regulatory expectations, technological disruption, and evolving customer preferences, our foundations remain strong. With strategy, an engaged Board, a capable leadership team, committed staff, and the ongoing support of our customers, shareholders, and community partners we are here to deliver more great outcomes.

The Community Bank movement continues to be one of the most successful models of social enterprise in Australia. Its ability to deliver both commercial success and community impact remains as relevant today as it was when our company was first established.

On behalf of the Board, I would like to sincerely thank our staff, customers, shareholders, community partners, and for their ongoing support and commitment. Together, we will continue to build a stronger business and stronger communities.



Jason Luckhardt
Chair



Kate Wakeling
CEO

Community Engagement 2026



School visit



HVSHS



Palliative Care Ball



Labrador Cricket Club



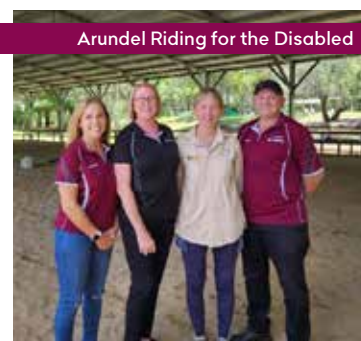
Palliative Care Logan Hospital



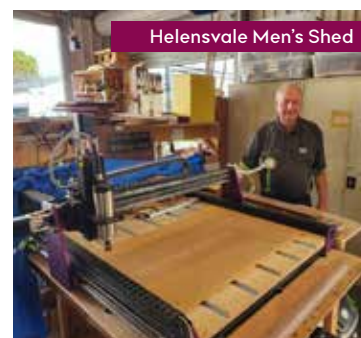
International Women's Day



Arundel Riding for the Disabled

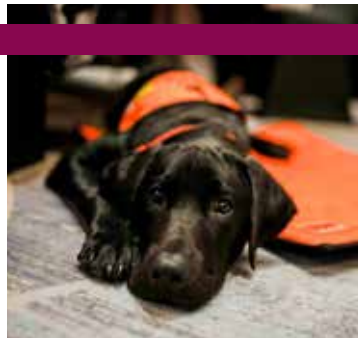


Peoples Excellence Awards



Helensvale Men's Shed

Empower Assistance Dogs



Rotary Club of Beenleigh



Go Pink golf Day



Beenleigh Cane Parade Gala Dinner



MND Brunch



BDA



Helensvale Hornets Hockey



Ribs4Kids



Carpentry Aust



Quota



Runaway Cricket Club



BYCC





Mayor's Christmas Event



Logan Chamber Christmas Breakfast



MND Lions



Dogers



CHAMPIONS



MND Governors meeting



Secret Santa for Seniors



Logan Chamber International Womens Day



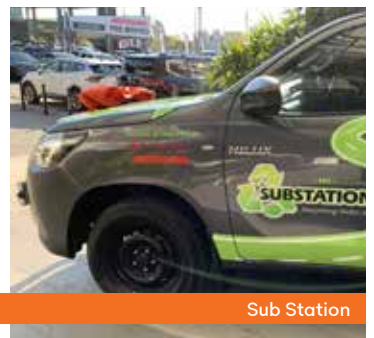
Lions Event



Southport Cricket



Sub Station



Go Pink Luncheon



Mission Possible Anniversary



Hamper packing



Lasso



Redkite



Cane Parade



St Francis College



Multifaith Breakfast



Yugumbir SS



Helensvale Tigers



National Womens Council



Loud and Proud 2025



Jack Beasley Foundation Fundraiser



Directors' report

For the financial year ended 30 June 2026

The directors present their report together with the financial statements of the company for the financial year ended 30 June 2026.

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: Commercial Sales 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 National Community Bank Council.

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, Member Community Investment Committee and Member 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 Governance, Audit and Human Resources Committees, Member Community Investment Committee, Chair 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. Holds a Bachelor of Education and is a graduate of the Australian Institute of Company Directors Company Directors Course (ACID). 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.

Special responsibilities: Chair of Community Investment Committee

Interest in shares: 3,950 ordinary shares

Leanne Nicole Taylor

Non-executive director

Occupation: Registered Migration Agent/Paralegal

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: 4,700 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 Liaison Officer for Labrador Touch Association.

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

Interest in shares: 500 ordinary shares

Joshua Pascoe

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: 1,500 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.

Review of Operations

The company's operations has produced the following results:

	Movement				
	2026 \$	2025 \$	Up/Down	\$	%
Revenue	6,473,221	6,128,451	Up	344,770	6%
Profit after income tax expense	797,791	688,115	Up	109,676	16%
Total comprehensive income for the year attributable to the ordinary shareholders of the company	797,791	688,115	Up	109,676	16%

Directors' report (continued)

Review of Operations (continued)

	2026 \$	2025 \$
Profit (loss) after tax attributable to members reported for the 1st half year	499,813	534,290
Profit (loss) after tax attributable to members reported for the 2nd half year	297,978	153,825

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 offers 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 improved in this financial year, due mainly to increases in official cash rates by the Reserve Bank of Australia. As a result, margin income on loans and deposits has increased substantially compared to previous years. Counteracting this to an extent is the 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.

Key Metrics

Five year summary of performance	Unit	2026	2025	2024	2023	2022
Operating revenue	\$	6,473,221	6,128,451	5,565,201	4,971,715	3,379,180
Earnings before interest, tax, depreciation, and amortisation	\$	1,696,612	1,433,434	1,351,079	1,553,198	752,465
Earnings before interest and tax	\$	1,173,483	990,832	995,436	1,233,226	413,667
Net profit after tax	\$	797,791	688,115	686,505	909,851	278,214
Total assets	\$	6,324,154	5,778,928	5,810,173	4,329,243	3,589,245
Total liabilities	\$	1,781,341	1,711,561	2,016,286	902,910	913,288
Total equity	\$	4,542,813	4,067,367	3,793,887	3,426,333	2,675,957
Net cash flow from operating activities	\$	1,406,490	1,156,766	1,001,878	1,363,959	471,402
Business footings ¹	\$m	841	779	659	506	516

Shareholder returns

Profit attributable to owners of the company	\$	797,791	688,115	686,505	909,851	278,214
Basic earnings per share	c	24.93	21.50	21.45	28.43	7.93
Dividends paid	\$	350,845	414,635	318,951	159,475	159,475
Dividends per share	c	11.00	13.00	10.00	5.00	5.00
Profit before tax per \$1 of revenue	c	0.17	0.15	0.17	0.24	0.11
Profit after tax per \$1 of equity	c	0.18	0.17	0.18	0.27	0.10
Net tangible assets per share	c	1.16	0.98	0.89	1.07	0.82
Price earnings ratio	\$	27.70	29.45	33.00	49.88	15.86
Share price	\$	0.90	0.73	0.65	0.57	0.50

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.

Directors' report (continued)

Operating and financial review (continued)

Returns to shareholders increased through both dividends and capital growth. Dividends for 2026 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 5.63% in total revenue compared to the previous year. This increase is attributable to the increases in official cash rates by the Reserve Bank of Australia. This movement in revenue, combined with close management of expenses has enabled the company to report a greatly improved net profit result. The Company has also increased its community contributions (including contributions to the Community Enterprise Foundation) by \$5,354 compared to 2025.

The cash and cash equivalents position of the company has improved for the reporting year by \$480,423 for a year-end balance of \$3,126,848.

The company continues to build a resilient balance sheet, ending June 2026 with net assets of \$4,542,813 and Working Capital of \$2,833,855.

Drivers of business performance

The results for the 2025/26 financial year have been driven mainly by a rapid growth in mortgage lending and deposits, resulting in an increase in revenue of 5.63%. Net interest margin returns under the revenue share arrangement have increased following official cash rate increases during the year.

Business strategies

Whilst the board has high level of oversight of Branch operations, day to day management control of business activities, operations and growth, rests with Bendigo Bank management. Within this context, 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.

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 personnel remuneration policy

Total compensation for all non-executive directors, last voted upon by shareholders at the 2022 AGM, is not to exceed \$70,000 per annum. The base fee for the chairperson is \$14,000 per annum. Other directors received a payment of \$3,850 per annum based on attendance of 11 board meetings @\$350 per meeting.

Non-executive director members are also remunerated for their role as Treasurer (\$8,000 per annum) and Committee Chair (\$4,000 per annum).

Directors' report (continued)

Remuneration report (continued)

Non-executive director members who sit on committees receive an additional payment of \$150 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

	2026 \$	2025 \$
<i>Key management personnel</i>		
Jason Paul Luckhardt	19,853	12,670
Brett Blair Raguse	-	771
Robert Leslie Herriott	6,656	4,861
Kathleen Robyn Wakeling	204,634	178,400
David William Ekert	15,757	9,808
Lachlan Stewart	9,862	7,522
Leanne Nicole Taylor	10,683	7,148
Leeanne Kay Braund	6,596	3,803
Joashua Pascoe	4,086	856
	278,127	225,840

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.

Key management personnel compensation

Key management personnel compensation comprised the following.

	2026 \$	2025 \$
Short-term employee benefits	252,062	178,471
Post-employment benefits	26,065	47,369
	278,127	225,840

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	6,950	-	6,950
Robert Leslie Herriott	4,000	-	4,000
Kathleen Robyn Wakeling	2,250	-	2,250
David William Ekert	4,450	-	4,450
Lachlan Stewart	3,950	-	3,950
Leanne Nicole Taylor	4,200	500	4,700
Leeanne Kay Braund	-	500	500
Joshua Pascoe	-	1,500	1,500

Directors' report (continued)

Dividends

	Year ended 30 June 2026	
	Cents	\$
Dividends:		
- Dividends provided for and paid in the year	11.00	350,845

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2026 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 26 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 2026 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:

	Committee Meetings Attended							
	Board Meetings Attended		Community Investment Committee		Governance, Audit & HR Committee		Strategic Oversight Committee	
	E	A	E	A	E	A	E	A
Jason Paul Luckhardt	11	11	-	-	10	8	1	1
Robert Leslie Herriott	11	9	11	10	10	7	1	1
Kathleen Robyn Wakeling	11	11	11	10	10	9	1	1
David William Ekert	11	11	-	-	10	10	1	1
Lachlan Stewart	11	8	11	11	-	-	-	-
Leanne Nicole Taylor	11	10	-	-	10	10	1	1
Leeanne Kay Braund	11	11	11	11	-	-	1	1
Joshua Pascoe	11	10	-	-	-	-	-	-

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 25 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 read 'Jason Paul Luckhardt', with a long horizontal stroke extending to the right.

Jason Paul Luckhardt
Chair

21 September 2026

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 members of Logan Community Financial Services Limited

As lead auditor for the audit of Logan Community Financial Services Limited for the year ended 30 June 2026, 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: 21 September 2026

A handwritten signature in black ink, appearing to read 'Jessica Ritchie'.

Jessica Ritchie
Lead Auditor

Financial statements

Statement of Profit or Loss and Other Comprehensive Income for the year ended 30 June 2026

	Note	2026 \$	2025 \$
Revenue from contracts with customers	6	6,372,636	6,037,474
Finance revenue	7	100,585	90,977
Total revenue		6,473,221	6,128,451
Employee benefit expenses	8	(3,311,190)	(3,294,175)
Advertising and marketing costs		(48,560)	(76,953)
Occupancy and associated costs		(209,711)	(159,976)
Systems costs		(134,409)	(136,236)
Depreciation and amortisation expense	8	(523,129)	(442,602)
Finance costs	8	(94,778)	(87,722)
General administration expenses		(350,787)	(311,079)
Total expenses before community contributions and income tax		(4,672,564)	(4,508,743)
Profit before community contributions and income tax expense		1,800,657	1,619,708
Charitable donations and sponsorships expense	8	(721,952)	(716,598)
Profit before income tax expense		1,078,705	903,110
Income tax expense	9	(280,914)	(214,995)
Profit after income tax expense		797,791	688,115
Total comprehensive income for the year attributable to the ordinary shareholders of the company:		797,791	688,115
Earnings per share		¢	¢
- Basic and diluted earnings per share:	27	24.93	21.50

The accompanying notes form part of these financial statements

Financial statements (continued)

Statement of Financial Position as at 30 June 2026

	Note	2026 \$	2025 \$
ASSETS			
Current assets			
Cash and cash equivalents	10	3,126,848	2,646,425
Trade and other receivables	11	339,796	313,265
Financial assets	12	7,000	7,000
Total current assets		3,473,644	2,966,690
Non-current assets			
Property, plant and equipment	13	886,822	806,710
Right-of-use assets	14	1,126,981	1,064,689
Intangible assets	15	741,466	885,904
Deferred tax asset	9	95,241	54,935
Total non-current assets		2,850,510	2,812,238
Total assets		6,324,154	5,778,928
LIABILITIES			
Current liabilities			
Trade and other payables	16	122,794	172,128
Current tax liabilities	9	127,058	36,002
Lease liabilities	17	309,297	240,019
Employee benefits	18	80,640	92,356
Total current liabilities		639,789	540,505
Non-current liabilities			
Trade and other payables	16	58,203	116,406
Lease liabilities	17	982,049	956,875
Employee benefits	18	18,614	14,135
Provisions	19	82,686	83,640
Total non-current liabilities		1,141,552	1,171,056
Total liabilities		1,781,341	1,711,561
Net assets		4,542,813	4,067,367
EQUITY			
Issued capital	20	3,070,711	3,042,211
Retained earnings		1,472,102	1,025,156
Total equity		4,542,813	4,067,367

The accompanying notes form part of these financial statements

Financial statements (continued)

Statement of Changes in Equity for the year ended 30 June 2026

	Note	Issued capital \$	Retained earnings/ (accumulated losses) \$	Total equity \$
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	22	-	(414,635)	(414,635)
Balance at 30 June 2025		3,042,211	1,025,156	4,067,367
Balance at 1 July 2025		3,042,211	1,025,156	4,067,367
Total comprehensive income for the year		-	797,791	797,791
<i>Transactions with owners in their capacity as owners:</i>				
Capital Alignment - correction of historical error	20	28,500	-	28,500
Dividends provided for or paid	22	-	(350,845)	(350,845)
Balance at 30 June 2026		3,070,711	1,472,102	4,542,813

The accompanying notes form part of these financial statements

Financial statements (continued)

Statement of Cash Flows for the year ended 30 June 2026

	Note	2026 \$	2025 \$
Cash flows from operating activities			
Receipts from customers		6,968,788	6,654,854
Payments to suppliers and employees		(5,432,606)	(5,353,077)
Interest received		100,585	90,977
Interest paid		(113)	-
Income taxes paid		(230,164)	(235,988)
Net cash provided by operating activities	24	1,406,490	1,156,766
Cash flows from investing activities			
Payments for property, plant and equipment		(205,494)	(216,877)
Payments for intangible assets		(52,911)	(52,911)
Net cash used in investing activities		(258,405)	(269,788)
Cash flows from financing activities			
Repayment of lease liabilities		(316,817)	(295,938)
Dividends paid	22	(350,845)	(414,635)
Net cash used in financing activities		(667,662)	(710,573)
Net cash increase in cash held		480,423	176,405
Cash and cash equivalents at the beginning of the financial year		2,646,425	2,470,020
Cash and cash equivalents at the end of the financial year	10	3,126,848	2,646,425

The accompanying notes form part of these financial statements

Notes to the financial statements

For the year ended 30 June 2026

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 26.

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 2026 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.

Notes to the financial statements (continued)

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

Judgements (continued)

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 consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. The directors did not identify any impairment indications during the financial year.

Recovery of deferred tax assets

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

Lease term

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

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

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

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.

Notes to the financial statements (continued)

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

Estimates and assumptions (continued)

Lease make good provision

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

Note 5 Economic dependency

The company 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

	2026 \$	2025 \$
Revenue:		
- Revenue from contracts with customers	6,372,636	6,037,474
	6,372,636	6,037,474

Notes to the financial statements (continued)

Note 6 Revenue from contracts with customers (continued)

	2026 \$	2025 \$
<i>Disaggregation of revenue from contracts with customers</i>		
At a point in time:		
Margin income	5,798,414	5,466,706
Fee income	247,842	284,133
Commission income	326,380	286,635
	6,372,636	6,037,474

Accounting policy for revenue from contracts with customers

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

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

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

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

All revenue is stated net of the amount of 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.

Notes to the financial statements (continued)

Note 6 Revenue from contracts with customers (continued)

Core banking products

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

Ability to change financial return

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

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

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

Note 7 Finance revenue

	2026 \$	2025 \$
Term deposits	100,585	90,977
	100,585	90,977

Accounting policy for finance revenue

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

Note 8 Expenses

Employee benefit expenses

	2026 \$	2025 \$
Wages and salaries	2,712,296	2,686,289
Non-cash benefits	36,051	24,859
Contributions to defined contribution plans	311,931	309,570
Expenses related to long service leave	5,421	5,514
Other expenses	245,491	267,943
	3,311,190	3,294,175

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.

Notes to the financial statements (continued)

Note 8 Expenses (continued)

Depreciation and amortisation expense

	2026 \$	2025 \$
<i>Depreciation of non-current assets:</i>		
Leasehold improvements	61,170	56,332
Plant and equipment	59,589	58,423
Motor vehicles	4,623	6,164
	125,382	120,919
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	253,309	267,763
	253,309	267,763
<i>Amortisation of intangible assets:</i>		
Franchise fee	8,988	8,988
Franchise renewal process fee	44,932	44,932
Other	90,518	-
	144,438	53,920
Total depreciation and amortisation expense	523,129	442,602
Finance costs		
Lease interest expense	89,687	82,728
Unwinding of make-good provision	4,978	4,994
Other	113	-
	94,778	87,722

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).

	2026 \$	2025 \$
Direct sponsorships, grants and donations	321,952	348,177
Contribution to the Community Enterprise Foundation™	400,000	368,421
	721,952	716,598

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.

Notes to the financial statements (continued)

Note 8 Expenses (continued)

Community Enterprise Foundation™ contributions (continued)

	2026 \$	2025 \$
<i>Disaggregation of CEF funds</i>		
Opening balance	874,722	681,642
Contributions paid in	400,000	368,421
Grants paid out	(156,028)	(185,845)
Interest received	24,584	28,925
Management fees incurred	(21,053)	(18,421)
Balance available for distribution	1,122,225	874,722

Note 9 Income tax expense

	2026 \$	2025 \$
Amounts recognised in profit or loss		
Current tax expense/(credit)		
Current tax	321,220	248,927
Movement in deferred tax	(40,306)	(33,932)
	280,914	214,995
Prima facie income tax reconciliation		
Operating profit before taxation	1,078,705	903,110
Prima facie tax on profit/(loss) from ordinary activities at 25% (2025: 25%)	269,676	225,778
Tax effect of:		
Non-deductible expenses	4,125	5,275
Temporary differences	47,419	17,874
Movement in deferred tax	(40,306)	(33,932)
	280,914	214,995
Deferred tax		
<i>Deferred tax assets</i>		
expense accruals	1,400	1,900
employee provisions	25,576	27,113
make-good provision	20,672	20,910
lease liability	322,836	299,224
impairment	22,629	-
carried-forward capital losses	15,529	15,529
Total deferred tax assets	408,642	364,676
<i>Deferred tax liabilities</i>		
deductible prepayments	-	-
property, plant and equipment	31,656	43,569
right-of-use assets	281,745	266,172
Total deferred tax liabilities	313,401	309,741

Notes to the financial statements (continued)

Note 9 Income tax expense (continued)

	2026 \$	2025 \$
Deferred taxes brought to account	-	-
Net deferred tax assets (liabilities)	95,241	54,935
Current tax		
Income tax payable/(refundable)	127,058	36,002

Accounting policy for income tax

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

Accounting policy for current tax

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

Accounting policy for deferred tax

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

Note 10 Cash and cash equivalents

	2026 \$	2025 \$
Cash at bank and on hand	3,047,151	2,572,296
Term deposits	79,697	74,129
	3,126,848	2,646,425

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 11 Trade and other receivables

	2026 \$	2025 \$
<i>Current assets</i>		
Trade receivables	329,870	306,390
Other receivables and accruals	9,926	6,875
	339,796	313,265

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.

Notes to the financial statements (continued)

Note 12 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.

	2026 \$	2025 \$
<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 13 Property, plant and equipment

	2026 \$	2025 \$
<i>Leasehold improvements</i>		
At cost	932,572	790,402
Less: accumulated depreciation	(318,637)	(257,467)
	613,935	532,935
<i>Plant and equipment</i>		
At cost	506,979	443,655
Less: accumulated depreciation	(247,960)	(188,371)
	259,019	255,284
<i>Motor vehicles</i>		
At cost	63,030	63,030
Less: accumulated depreciation	(49,162)	(44,539)
	13,868	18,491
Total written down amount	886,822	806,710

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

	2026 \$	2025 \$
<i>Leasehold improvements</i>		
Carrying amount at beginning	532,935	497,278
Additions	142,170	94,211
Disposals	-	(2,222)
Depreciation	(61,170)	(56,332)
	613,935	532,935
<i>Plant and equipment</i>		
Carrying amount at beginning	255,284	191,041
Additions	63,324	122,666
Depreciation	(59,589)	(58,423)
	259,019	255,284

Notes to the financial statements (continued)

Note 13 Property, plant and equipment (continued)

	2026 \$	2025 \$
<i>Motor vehicles</i>		
Carrying amount at beginning	18,491	24,655
Depreciation	(4,623)	(6,164)
	13,868	18,491
Total written down amount	886,822	806,710

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
Leasehold improvements	Straight-line	10 to 20 years
Plant and equipment	Straight-line and diminishing value	3 to 100 years
Motor vehicles	Diminishing value	8 years

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 14 Right-of-use assets

	2026 \$	2025 \$
<i>Leased land and buildings</i>		
At cost	2,252,727	1,937,125
Less: accumulated depreciation	(1,125,746)	(872,436)
Total written down amount	1,126,981	1,064,689

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

	2026 \$	2025 \$
<i>Leased land and buildings</i>		
Carrying amount at beginning	1,064,689	1,332,452
Remeasurement adjustments	315,601	-
Depreciation	(253,309)	(267,763)
Total written down amount	1,126,981	1,064,689

Notes to the financial statements (continued)

Note 14 Right-of-use assets (continued)

Accounting policy for right-of-use assets

Right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability adjusted for costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease. Right-of-use assets are subject to impairment and are adjusted for any remeasurement of lease liabilities.

Refer to note 17 for more information on lease arrangements.

Note 15 Intangible assets

	2026 \$	2025 \$
<i>Franchise fee</i>		
At cost	44,098	44,098
Less: accumulated amortisation	(26,123)	(17,135)
	17,975	26,963
<i>Franchise renewal process fee</i>		
At cost	220,459	220,459
Less: accumulated amortisation	(130,595)	(85,663)
	89,864	134,796
<i>Rights to revenue - Broadwater FSL</i>		
At cost	724,145	724,145
Less: accumulated amortisation	(90,518)	-
	633,627	724,145
Total written down amount	741,466	885,904

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

	2026 \$	2025 \$
<i>Franchise fee</i>		
Carrying amount at beginning	26,963	35,951
Amortisation	(8,988)	(8,988)
	17,975	26,963
<i>Franchise renewal process fee</i>		
Carrying amount at beginning	134,796	179,728
Amortisation	(44,932)	(44,932)
	89,864	134,796
<i>Rights to revenue - Broadwater FSL</i>		
Carrying amount at beginning	724,145	724,145
Amortisation	(90,518)	-
	633,627	724,145
Total written down amount	741,466	885,904

Notes to the financial statements (continued)

Note 15 Intangible assets (continued)

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.

The franchise fees paid by the company are amortised over their useful life and assessed for impairment whenever impairment indicators are present.

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

Asset class	Method	Useful life
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

During the financial year, the company assessed estimates used for intangible assets including useful lives, residual values, and amortisation methods. There were no changes in estimates for the current reporting period.

Note 16 Trade and other payables

	2026 \$	2025 \$
<i>Current liabilities</i>		
Trade creditors	8,717	48,333
Other payables and accruals	114,077	123,795
	122,794	172,128
<i>Non-current liabilities</i>		
Other payables and accruals	58,203	116,406
	58,203	116,406
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	180,997	288,534
less other payables and accruals (net GST payable to the ATO)	(33,212)	(21,473)
	147,785	267,061

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 17 Lease liabilities

	2026 \$	2025 \$
<i>Current liabilities</i>		
Property lease liabilities	309,297	240,019
<i>Non-current liabilities</i>		
Property lease liabilities	982,049	956,875
<i>Reconciliation of lease liabilities</i>		
Balance at the beginning	1,196,894	1,410,104
Remeasurement adjustments	321,582	-
Lease interest expense	89,687	82,728
Lease payments - total cash outflow	(316,817)	(295,938)
	1,291,346	1,196,894

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 2030
Administration Office	7.50%	3 years	N/A	N/A	April 2027

Note 18 Employee benefits

	2026 \$	2025 \$
<i>Current liabilities</i>		
Provision for annual leave	60,548	72,380
Provision for long service leave	20,092	19,976
	80,640	92,356
<i>Non-current liabilities</i>		
Provision for long service leave	18,614	14,135
	18,614	14,135

Notes to the financial statements (continued)

Note 18 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.

Accounting policy for other long-term employee benefits

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

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

Note 19 Provisions

	2026 \$	2025 \$
<i>Non-current liabilities</i>		
Make-good on leased premises	82,686	83,640
	82,686	83,640

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 \$82,686 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 17, at which time it is expected the face-value costs to restore the premises will fall due.

Note 20 Issued capital

	2026		2025	
	Number	\$	Number	\$
Ordinary shares - fully paid	3,200,010	3,120,500	3,200,010	3,092,000
Less: equity raising costs	-	(49,789)	-	(49,789)
	3,200,010	3,070,711	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.

During the year, the Company undertook a review of historical capital records and identified a variance in the issued capital account. An adjustment of \$28,500 was recorded within equity to align the issued capital balance to the underlying ASIC search records as at 30 June 2026. Management determined the variance was not material to previously issued financial statements and therefore prior year figures have not been adjusted.

Notes to the financial statements (continued)

Note 20 Issued capital (continued)

Rights attached to issued capital

Ordinary shares

Voting rights

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

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

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

Dividends

Generally, dividends are payable to members in proportion to the amount of the share capital paid up on the shares held by them, subject to any special rights and restrictions for the time being attaching to shares. The franchise agreement with Bendigo Bank contains a limit on the level of profits or funds that may be distributed to shareholders. There is also a restriction on the payment of dividends to certain shareholders if they have a prohibited shareholding interest (see below).

Transfer

Generally, ordinary shares are freely transferable. However, the directors have a discretion to refuse to register a transfer of shares.

Subject to the foregoing, shareholders may transfer shares by a proper transfer effected in accordance with the company's constitution and the *Corporations Act 2001*.

Prohibited shareholding interest

A person must not have a prohibited shareholding interest in the company.

In summary, a person has a prohibited shareholding interest if any of the following applies:

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").
- Where the person is a shareholder, after the transfer of shares in the company to that person the number of shareholders in the company is (or would be) lower than the base number (the "base number test"). The base number is 1029. As at the date of this report, the company had 1031 shareholders (2025: 1056 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.

Notes to the financial statements (continued)

Note 21 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 2026 can be seen in the statement of profit or loss and other comprehensive Income.

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

Note 22 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 2026		30 June 2025	
	Cents	\$	Cents	\$
Fully franked dividend	11.00	350,845	13.00	414,635
Total dividends provided for and paid during the financial year	11.00	350,845	13.00	414,635

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

	2026 \$	2025 \$
<i>Franking account balance</i>		
<i>Franking credits available for subsequent reporting periods</i>		
Franking account balance at the beginning of the financial year	740,173	642,396
Franking transactions during the financial year:		
- Correction to opening balance	(37,880)	-
- Franking credits (debits) arising from income taxes paid (refunded)	(34,973)	(58,526)
- Franking credits from income tax instalments paid	265,137	294,515
- Franking debits from the payment of franked distributions	(116,948)	(138,212)
Franking account balance at the end of the financial year	815,509	740,173
Franking transactions that will arise subsequent to the financial year end:		
- Franking credits (debits) that will arise from payment (refund) of income tax	64,721	36,002
Franking credits available for future reporting periods	880,230	776,175

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.

Notes to the financial statements (continued)

Note 23 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.

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

	Note	2026 \$	2025 \$
Financial assets			
Trade and other receivables	11	339,796	313,265
Cash and cash equivalents	10	3,126,848	2,646,425
Financial assets	12	7,000	7,000
		3,473,644	2,966,690
Financial liabilities			
Trade and other payables	16	147,785	267,061
Lease liabilities	17	1,291,346	1,196,894
		1,439,131	1,463,955

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 in term deposits.

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.

Notes to the financial statements (continued)

Note 23 Financial risk management (continued)

Financial assets (continued)

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.

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 2026

Financial liability	Contractual cash flows			
	Carrying amount	Not later than 12 months	Between 12 months and five years	Greater than five years
Lease liabilities	1,605,036	321,144	938,996	344,896
Trade payables	147,785	89,582	58,203	-
	1,752,821	410,726	997,199	344,896

30 June 2025

Financial liability	Contractual cash flows			
	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

Notes to the financial statements (continued)

Note 24 Reconciliation of cash flows from operating activities

	2026 \$	2025 \$
Net profit after tax from ordinary activities	797,791	688,115
Adjustments for:		
- Depreciation	378,691	388,682
- Amortisation	144,438	53,920
- Lease liabilities interest	89,687	82,728
- (Profit)/loss on disposal of non-current assets	-	2,222
- Capital alignment correction	28,500	-
Changes in assets and liabilities:		
- (Increase)/decrease in trade and other receivables	(26,531)	13,635
- (Increase)/decrease in other assets	(40,306)	(33,932)
- Increase/(decrease) in trade and other payables	(48,645)	(80,869)
- Increase/(decrease) in employee benefits	(7,237)	24,332
- Increase/(decrease) in provisions	(954)	4,994
- Increase/(decrease) in tax liabilities	91,056	12,939
Net cash flows provided by operating activities	1,406,490	1,156,766

Note 25 Auditor's remuneration

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

	2026 \$	2025 \$
<i>Audit and review services</i>		
- Audit and review of financial statements	13,210	21,752
<i>Non audit services</i>		
-General advisory services	-	2,070
- Share registry services	19,666	23,121
Total auditor's remuneration	32,876	46,943

Note 26 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.

Notes to the financial statements (continued)

Note 26 Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	2026 \$	2025 \$
- The company provided a sponsorship to Discovery Tennis Club Inc, of which a director is associated with. The total benefit received was:	-	3,000
- The company provided a sponsorship to Labrador Touch Association, of which a director is associated with. The total benefit received was:	5,000	6,818
- 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:	13,883	3,600
Total transactions with related parties	18,883	18,418

Note 27 Earnings per share

	2026 \$	2025 \$
Profit attributable to ordinary shareholders	797,791	688,115

	Number	Number
Weighted-average number of ordinary shares	3,200,010	3,200,010
Basic and diluted earnings per share	24.93	21.50

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 28 Commitments

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

Note 29 Contingencies

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

Note 30 Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 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

30 June 2026

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 2026 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

21 September 2026

Independent audit report



Andrew Frewin Stewart
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Independent auditor's report to the members of Logan Community Financial Services Limited Report on the audit of the financial report

Report on the audit of the financial statements

Our opinion

In our opinion, the accompanying financial report of Logan Community Financial Services Limited (the company), is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2026 and of its financial performance for the year ended on that date; and
- ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

We have audited the financial report of Logan Community Financial Services Limited, which comprises the:

- Statement of financial position as at 30 June 2026
- Statement of profit or loss and other comprehensive income for the year then ended
- Statement of changes in equity for the year then ended
- Statement of cash flows for the year then ended
- 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 most significant in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the 'Auditor's responsibilities for the audit of the financial report', including in relation to these matters. Accordingly, our audit included performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

Key audit matter	How we addressed the matter
Revenue from contracts with customers	
The company is a franchise of Bendigo Bank. Under the franchise agreement, the company receives a share of interest, fee and commission revenue generated through its banking operations. Interest margin share is determined using a funds transfer pricing methodology, which recognises income from deposits held and funding costs associated with loans granted. Fee income and commissions are determined in accordance with the relevant agreements and fee schedules in place. The company receives its revenue share from Bendigo Bank through monthly N416 (profit share) statements. Revenue is recognised as the company satisfies the applicable recognition criteria under the relevant Australian Accounting Standards. We considered revenue recognition to be a key audit matter because: - revenue is significant to the financial report - the revenue sharing arrangements are complex, and - the company relies on monthly profit share statements prepared by Bendigo Bank.	Our procedures included: - Performing a detailed analytical review of revenue on an account-by-account basis. - Substantiating revenue recorded during the year to the monthly N416 (profit share) statements prepared by Bendigo Bank. - Reviewing the agreed-upon procedures report prepared by Ernst & Young in relation to the funds transfer pricing arrangement, evaluating the factual findings reported and considering their implications for our audit procedures over the monthly profit share statements. - Assessing whether revenue was recognised in accordance with the applicable Australian Accounting Standards, including AASB 15 Revenue from Contracts with Customers. - Evaluating the existence, accuracy and completeness of revenue recognised during the year through analytical procedures and reconciliation to supporting statements received from Bendigo Bank.



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Key audit matter	How we addressed the matter
Intangible assets	
The company recognises an intangible asset for the rights to revenue under its franchise agreement with Bendigo and Adelaide Bank, arising from its acquisition of the Broadwater Financial Services Ltd franchise. This asset represents a material portion of total assets and is being amortised over its assessed useful life in accordance with AASB 138 Intangible Assets. The carrying value of the asset remains subject to management judgement, including the assessment of its remaining useful life and whether indicators of impairment exist at reporting date. Where indicators of impairment are identified, management is required to estimate the asset's recoverable amount in accordance with AASB 136 <i>Impairment of Assets</i>. This assessment may involve judgement in relation to the continued operation of the franchise arrangement, future revenue streams, growth expectations and discount rates. Accordingly, we considered the valuation and recoverability of the intangible asset to be a key audit matter.	Our procedures included: ▪ Evaluating management's accounting policy against the requirements of AASB 138 to assess the appropriateness of recognition, classification and amortisation of the asset. ▪ Assessing the reasonableness of the useful life applied and recalculating amortisation expense recognised during the year. ▪ Assessing management's consideration of impairment indicators at reporting date and, where relevant, reviewing management's assessment of recoverable amount, including the reasonableness of assumptions such as future revenue streams, discount rates and growth rates. ▪ Where a recoverable amount assessment was required, performing sensitivity analyses over key assumptions to understand the degree of estimation uncertainty and potential impact on the valuation. ▪ Assessing the adequacy of disclosures in the financial report against AASB 138 and AASB 136 Impairment of Assets.



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Other information

The directors are responsible for the other information. The other information comprises the Directors' Report, which we obtained prior to the date of this auditor's report, and the remaining information included in the company's Annual Report for the year ended 30 June 2026, which is expected to be made available to us after the date of this auditor's report. The other information does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

At the date of this auditor's report, we have received and read the Directors' Report and have not identified any material inconsistency between that information and the financial report or our knowledge obtained during the audit.

The remaining other information included in the Annual Report is expected to be made available to us after the date of this auditor's report. When we read that information, if we conclude that there is a material misstatement therein, we are required to take appropriate action in accordance with the Australian Auditing Standards.

Responsibilities of the directors for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal 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. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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



Andrew Frewin Stewart
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03 5443 0344

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 2026.

In our opinion, the Remuneration Report of the company, for the year ended 30 June 2026, 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: 21 September 2026

A handwritten signature in black ink, appearing to read 'Jessica Ritchie'.

Jessica Ritchie
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	688	463,294
1,001 to 5,000	262	729,341
5,001 to 10,000	49	428,900
10,001 to 100,000	28	853,752
100,001 and over	4	714,215
Total shareholders	1,031	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 including equal holdings.

Shareholder	Number of fully paid shares held	Percentage of issued capital
BENDIGO & ADELAIDE BANK LIMITED	247,500	7.76%
Mr WARREN ANDREW DICKER	230,275	7.22%
EZY INVESTMENTS PTY LTD <EZY HOMES SUPER FUND A/C>	133,940	4.20%
CENTRAL PLUMBING SUPPLIES PTY LTD	102,500	3.21%
WESTFERRY OPERATIONS PTY LTD <THE WESTFERRY FUND A/C>	97,100	3.04%
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%
	1,094,215	

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

Corporate governance

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

- (a) The establishment of a Governance, Audit and Human Resources Committee (GAH Committee). Members of the GAH 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) Monthly Director meetings to discuss performance and strategic plans.

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Community Bank · Springwood
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Web: bendigobank.com.au/springwood

Franchisee: Logan Community Financial Services Limited
ABN: 89 101 148 430
First Floor, 13 Vanessa Boulevard
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Phone: 0406 699 273
Email: Lcbadmin@cblogan.com.au

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