Annual Report 2026





Maroondah Community Enterprises Limited

Community Bank
Ringwood East and Croydon

ABN 91 103 341 993

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Chair's report

For year ending 30 June 2026

Governance and Strategic Direction

In my first year as Chair of Maroondah Community Enterprises Limited (MCEL), the Board has made significant changes to the way it operates. We have introduced more professional meeting practices to ensure that every member's views are captured when voting on key matters. We have also streamlined our committees and formed a tighter executive structure so that responsibility and decision-making are shared rather than concentrated in one person's hands.

At a weekend workshop, we focused on MCEL's future and the changing face of banking. We considered what we need to do to remain prepared, relevant and accessible to customers—both in person and digitally.

Branch Refurbishment and Consolidation

We concluded that refurbishing Community Bank Ringwood East is the best way forward for MCEL. The existing premises have become tired and no longer provide the welcoming, practical environment our customers and staff deserve. The refurbishment, due to be completed in December, will create improved staff areas and give Community Bank Ringwood East the look and feel of a modern bank.

As we do not own 62 Railway Avenue, we have had to consolidate our operations into one building and relinquish the café and community space. This change will save a significant amount in rent and outgoings. Those savings can instead be returned to the community, which remains at the heart of who we are.

We are continuing to work with community groups and the café's commercial operators to support them through the transition.

Community Impact and Performance

During the year, we:

- Returned **$199,540** to the community through grants and sponsorships;
- Deposited **$118,182** into the Community Enterprise Foundation for future community projects;
- Supported the following community events:
  - Maroondah Business Excellence Awards
  - Rotary Gala Dinner
  - Bushfire Appeal
  - Maroondah Festival

These contributions reflect our continuing commitment to keeping the community as our primary focus.

We were proud to have been nominated for the following awards:

- Maroondah Council – Australia Day Awards for Community Event of the Year
- Matt Gregg MP - Community Champion Business

MCEL recorded a net profit of $402,812 for the year. I congratulate the whole team for their efforts in achieving an outstanding result, and in particular our Community Company Manager, Daniel who leads our banking operations team.

I am deeply grateful for the Board's steadfast support throughout my first year as Chair. We have confronted challenges with unity, discipline and a clear sense of purpose, strengthening our capacity to lead MCEL forward. As a progressive and cohesive Board, we are ready to make decisive choices, navigate the changing business landscape and secure a strong, sustainable future for our organisation and community. I look forward to leading this next chapter with confidence and delivering lasting value for our customers, shareholders and community.

Nora Lamont
Chair

Manager's report

For year ending 30 June 2026

In my third year leading Community Bank Ringwood East and Croydon, I just want to begin my report by expressing how humbled and incredibly proud I am to stand before you and reflect on the journey we have shared. The opportunity to work closely with a passionate, community-focused Board, a dedicated staff, and loyal customer base who genuinely care about making Maroondah and surrounds a better place is a privilege. Over the past three years, I have thoroughly enjoyed building authentic relationships with each of you, relationships that are underpinned by a mutual desire to see real, lasting impact, both in your personal banking and in our wider community.

When we set out on our journey together, we knew that growing our business in a tough economic climate would require us to chart a new course. We reimagined our operations, built a strong leadership team across our branches, and invested heavily in our lending hub to reduce turnaround times. Last year was about staying that course, letting a tougher market test our structures and ensuring our operational foundations were resilient. This financial year, I am pleased to say we have successfully consolidated those efforts. We have proven that the changes we made to date, were not just temporary adjustments, but truly the foundations of a highly successful, commercially focused, and community-spirited business. We are not finished in this space, as we continue to strive for operational excellence so we can give back more to the community.

Financially, we have delivered another strong result that continues to build on our story of success. Despite persistent economic challenges both at home and abroad, our company's total footings grew by an impressive $20,879,040. This growth was relatively balanced, driven by $13,306,779 increase in our deposits book, $8,092,585 increase in lending book. This remarkable achievement brings our total footings to over $489 million, putting us within arm's reach of a historic half-billion-dollar milestone. These numbers are a direct reflection of the continued trust our customers place in us to manage their financial futures.

This continued success simply would not happen without our wonderful team on the front line delivering exceptional service day in and day out at Croydon, Ringwood East, and our Lending Centre. I cannot express how proud I am of the culture the team continue to foster and their relentless drive to support our customers and build our community. My sincere thanks also go to our Board of Directors for their guidance, strategic support, and shared commitment over the last three years, as well as our franchisor, Bendigo Bank.

Finally, thank you to our shareholders and community customers. Without your loyalty and support, Maroondah Community Enterprises Limited would not be able to have the positive, life-changing social impact that it does. By choosing to bank with us, you ensure that Maroondah keeps the very thing it was built on - its community spirit. We look forward to taking on the challenges and opportunities of the new financial year together.

Daniel Dakic
Community Company Manager
Maroondah Community Enterprises Limited

Grants and Sponsorships summary

Community Groups supported by Community Bank Ringwood East and Croydon for financial year 2026

Maroondah Community Enterprises Limited have continued to support a diverse range of community groups to enable them to deliver their individual activities. This creates stronger healthier community groups which makes the Maroondah area a better place to live.

Below is a list of community groups we have supported in the financial year 2026

Arrabri Community House
Ainslie Park Cricket Club
All Stars choir
All Stars Choir
Bayswater North Tennis Club
BJ Quilters
Brain Injury Matters
Bravehearts
Bushfire Appeal
Central Ringwood Community Centre
Club Ringwood Social Golf Club Inc
Communities of Wellbeing Incorporated
Community Music and Performances Inc.
CRISP Nursery Inc.
Croydon Bowling Club
Croydon City Soccer Club
Croydon Community Gardens Incorporated
Croydon Historical Society
Croydon Homing Pigeon Club
Croydon Raiders Indoor Sports Association
Croydon Ranges Soccer Club Inc
Croydon Tennis Club
Croydon Uniting Church Helping Hand
Donwood Aged Care
EACH
East Ringwood Cricket Club
East Ringwood Football Club Inc
East Ringwood Junior Football Club
Eastern All Abilities Netball Club
Eastern Food Rescue
Foodbank
Glen Park Community Centre Inc.
HE Parker Reserve Tennis Club
Heathmont Baseball Club
Heathmont Bowls Club
Heathmont Cricket Club Inc
Heathmont United Netball Club
Holy Spirit Community Fete
Holy Spirit Netball Club
JC Assist Charity Fund Pty Ltd
Jets Junior Football Club
Life Activities Club Croydon Inc
Lift Project - Maroondah Council
Lightbox Productions
Lilydale Croquet Club
Lipscombe Park Kindergarten
Maroondah Basketball Club Inc
Maroondah Business Group Inc.
Maroondah City Council
Maroondah City Council - Mayoral Art Exhibition Paid to Bone Marrow Donnor
Maroondah Community Assist
Maroondah Probus Club
Maroondah Rotary Club
Maroondah Rotary Gala Dinner
Maroondah Rotary Gala Dinner - Donation
Maroondah United Football Club
Melbourne Eastern Netball Association
Melbourne Highland Games & Celtic Festival
Mountain District Pony Club
Mullum Netball Club Inc
North Ringwood Community House Inc
North Ringwood Cricket Club
Norwood Football Club Incorporated
Rebecca Jane Foundation
Ringwood Art Society
Ringwood Athletic Club
Ringwood Bowls club
Ringwood City Soccer Club
Ringwood Clocktower Probus Club Inc
Ringwood Cricket Club
Ringwood Croquet Club
Ringwood Football & Netball Club Incorporated
Ringwood Golf Club Inc
Ringwood Little Athletics Centre Incorporated
Ringwood Mens Shed inc.
Ringwood Spiders All-abilities Sports Club
Ringwood Swimming Club Inc
Rotary Club of Maroondah
Scouts Victoria, 3rd Ringwood East Scout Group
Shades of Pink
Shades of Pink
South Croydon Cricket Club Inc
South Croydon Football & Netball Club
South Croydon Junior Football Club
St David's Cricket Club
Teacher Presence
The Freedom Initiative
The Orchard Church of Christ Inc.
TLC Support Inc
Village School Inc
Women's Health East
Yarrunga community Centre

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:



Nora Clare Lamont

Chair

Occupation: Immigration Consultant

Qualifications, experience and expertise: Nora served as a Councillor, Mayor and Deputy Mayor at Maroondah City Council from 2008-2021. She has vast experience on various boards including the Maroondah Foundation, Women's Health East and METEC driver education. Nora also chaired many committees at Maroondah City Council including the Disability Advisory Committee and the Heritage Advisory Committee. She was a member of the Maroondah Partners in Health, Safety and Wellbeing, the Community Safety Committee, Maroondah Business Advisory Committee, Municipal Association of Victoria, Audit Committee, Eastern Region Group of Councils, Maroondah Access, Inclusion and Equity Committee and the Maroondah Livability, safety and Amenity Committee. She has also served on the Adult Parole Board of Victoria and was appointed by the Attorney General of Australia as a Member at the Administrative Appeals Tribunal from 2017-2024 and re-appointed as a Member in 2024 until 2029. Nora holds a Bachelor of Arts degree in Political Science , a Master of arts degree in Public Administration and policy and is completing a Juris Doctorate degree.

Special responsibilities: Board Chair from 2nd December 2025 and Community Engagement Chair until 3rd February 2026

Interest in shares: Nil



Stuart Robert Greig

Director

Occupation: Business Development Manager

Qualifications, experience and expertise: Stuart has been the Chairman of the company since inception and is actively involved in community activities including the Ringwood East Traders Association. Stuart has worked in the real estate & building industry for 30 years and is on the sponsorship committee of Norwood Football Club.

Special responsibilities: Board Chairman until 2nd December 2025, member of Special Projects Committee.

Interest in shares: Nil

Directors (continued)



William Pirie Sutherland

Director

Occupation: Retired

Qualifications, experience and expertise: Bill has recently retired as a Financial Controller having previously been in banking for 29 years and a retail owner for 13.5 years. He holds a degree in Banking (ABIA) and has been involved in both local Lions and Rotary Clubs for 18 years. Current member of the Probus Club, Lilydale.

Special responsibilities: Member of Community Engagement Committee and member of Finance, Audit and Risk Committee from 7th October 2025.

Interest in shares: 11,002



Anthony Morris Hart

Director

Occupation: Building Insurance Consultant

Qualifications, experience and expertise: Tony is a Cafe / Restaurant owner for the past 5 years and a Bakers Delight owner in Heathmont for the past 18 years. His previous experience includes a senior position with National Australia Bank for over 30 years. A commissioned officer with the Australian Defence Force, full time and reserve for 15 years. He is currently the Vice President of the Ringwood Chamber of Commerce and a member of Heathmont Lions Club.

Special responsibilities: Deputy Chair appointed 2nd December 2025, member of Governance and Nominations Committee from 2nd December 2025, member of Community Engagement Committee, and member of Finance, Audit and Risk Committee until 2nd December 2025.

Interest in shares: 1,000



Matthew Mark Cannon

Treasurer and Secretary

Occupation: Certified Practising Accountant

Qualifications, experience and expertise: Matthew is a Certified Practising Accountant, Registered Tax Agent and holds a Masters in Applied Finance. He has held senior finance positions within listed corporate companies and also has experience in business service advisory and virtual CFO consulting in the small and medium business services industry.

Special responsibilities: Finance, Audit and Risk Committee Chair, and Treasurer.

Interest in shares: Nil

Directors (continued)



Daryl Leslie Minter

Director

Occupation: General Manager/Migration

Qualifications, experience and expertise: Daryl's journey has taken him through multi-national and ASX-listed enterprises, as well as private businesses across a diverse array of sectors, including rail, construction, retail, distribution, agriculture, transport, and the digital realm.

Special responsibilities: Governance and Nominations Committee Chair, and member of Finance, Audit and Risk Committee.

Interest in Shares: Nil



Andrew O'Brien

Director

Occupation: Head of Engineering

Qualifications, experience and expertise: Andrew has spent 24 years in engineering projects and services across a variety of industries, progressing to senior management roles with a commercial, growth and operations focus. He holds an honours degree in engineering and an MBA from Melbourne Business School. He and his family have been in the Maroondah area since 2014 with involvement in the Ringwood Scout group and Croydon Soccer club.

Special responsibilities: Member of Governance and Nominations Committee and Special Projects Committee Chair.

Interest in shares: Nil

Company Secretary

The company secretary is Matthew Mark Cannon. Matthew was appointed to the position of secretary on 09/03/2017.

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.

Operating results

Operations have continued to perform in line with expectations. The profit/(loss) of the company for the financial year after provision for income tax was:

Year ended 30 June 2026 $	Year ended 30 June 2025 $
402,812	759,765

Directors' interests

	Fully paid ordinary shares		
	Balance at start of the year	Changes during the year	Balance at end of the year
Nora Clare Lamont	-	-	-
Stuart Robert Greig	-	-	-
William Pirie Sutherland	11,002	-	11,002
Anthony Morris Hart	1,000	-	1,000
Matthew Mark Cannon	-	-	-
Daryl Leslie Minter	-	-	-
Andrew O'Brien	-	-	-

Dividends

	Year ended 30 June 2026	
	Cents	$
Dividends:		
- Fully Franked Dividends provided for and paid in the year	10.00	180,812

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

The lease at 62 Railway Avenue Ringwood East will not be renewed and banking operations will be relocated to 60 Railway Avenue Ringwood East. The sublet income will cease. The premises will undergo a refurbishment during the 2027 Financial Year.

No other 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 28 and 29 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.

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		Governance & Nominations		Finance, Audit & Risk		Special Projects		Community Engagement		Executive	
	E	A	E	A	E	A	E	A	E	A	E	A
Nora Clare Lamont	10	8	-	-	-	-	2	2	7	6	9	6
Stuart Robert Greig	10	8	-	-	-	-	2	2	-	-	5	5
William Pirie Sutherland	10	7	-	-	3	2	-	-	11	10	-	-
Anthony Morris Hart	10	9	1	1	5	4	-	-	11	11	1	1
Matthew Mark Cannon	10	8	-	-	5	5	2	2	-	-	9	9
Daryl Leslie Minter	10	10	4	4	5	5	-	-	-	-	-	-
Andrew O'Brien	10	10	4	4	-	-	2	2	-	-	-	-

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 27 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.

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



Nora Clare Lamont,
Chair

28 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 Directors of Maroondah Community Enterprises Limited

As lead auditor for the audit of Maroondah Community Enterprises 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.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 28 September 2026

Joshua Griffin
Lead Auditor

afsbendigo.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

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	2,979,341	2,930,981
Other revenue	7	17,586	14,679
Finance revenue	8	124,381	144,395
Total revenue		**3,121,308**	**3,090,055**
Employee benefit expenses	9	(1,636,881)	(1,342,733)
Advertising and marketing costs		(14,963)	(15,466)
Occupancy and associated costs		(86,593)	(77,763)
Systems costs		(56,064)	(51,916)
Depreciation and amortisation expense	9	(208,553)	(197,794)
Finance costs	9	(7,070)	(8,652)
General administration expenses		(242,392)	(215,657)
Total expenses before community contributions and income tax		**(2,252,516)**	**(1,909,981)**
Profit before community contributions and income tax expense		**868,792**	**1,180,074**
Charitable donations and sponsorships expense	9	(317,722)	(165,492)
Profit before income tax expense		**551,070**	**1,014,582**
Income tax expense	10	(148,258)	(254,817)
Profit after income tax expense		**402,812**	**759,765**
Total comprehensive income for the year attributable to the ordinary shareholders of the company:		**402,812**	**759,765**
Earnings per share		**¢**	**¢**
- Basic and diluted earnings per share:	30	22.28	42.02

The accompanying notes form part of these financial statements

Statement of financial position
as at 30 June 2026

	Note	2026 $	2025 $
ASSETS			
Current assets			
Cash and cash equivalents	11	1,097,619	555,968
Trade and other receivables	12	322,705	272,344
Current tax assets	10	8,822	-
Investments	13	3,305,579	3,681,169
Total current assets		**4,734,725**	**4,509,481**
Non-current assets			
Property, plant and equipment	14	1,017,325	1,011,694
Right-of-use assets	15	42,843	98,464
Intangible assets	16	72,855	100,526
Deferred tax asset	10	108,582	93,662
Total non-current assets		**1,241,605**	**1,304,346**
Total assets		**5,976,330**	**5,813,827**
LIABILITIES			
Current liabilities			
Trade and other payables	17	207,164	136,933
Current tax liabilities	10	-	65,828
Loans and borrowings	18	7,941	7,385
Lease liabilities	19	41,659	65,735
Employee benefits	20	113,460	106,087
Total current liabilities		**370,224**	**381,968**
Non-current liabilities			
Trade and other payables	17	30,455	60,910
Loans and borrowings	18	10,773	18,714
Lease liabilities	19	-	18,736
Employee benefits	20	16,679	7,907
Provisions	21	53,755	53,148
Total non-current liabilities		**111,662**	**159,415**
Total liabilities		**481,886**	**541,383**
Net assets		**5,494,444**	**5,272,444**
EQUITY			
Issued capital	22	1,073,286	1,073,286
Retained earnings		4,421,158	4,199,158
Total equity		**5,494,444**	**5,272,444**

The accompanying notes form part of these financial statements

Statement of changes in equity
for the year ended 30 June 2026

	Note	Issued capital $	Retained earnings $	Total equity $
Balance at 1 July 2024		**1,073,286**	**3,565,961**	**4,639,247**
Total comprehensive income for the year		-	759,765	759,765
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	24	-	(126,568)	(126,568)
Balance at 30 June 2025		**1,073,286**	**4,199,158**	**5,272,444**
Balance at 1 July 2025		**1,073,286**	**4,199,158**	**5,272,444**
Total comprehensive income for the year		-	402,812	402,812
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	24	-	(180,812)	(180,812)
Balance at 30 June 2026		**1,073,286**	**4,421,158**	**5,494,444**

The accompanying notes form part of these financial statements

Statement of cash flows
for the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers		3,236,523	3,247,138
Payments to suppliers and employees		(2,581,404)	(2,129,469)
Interest received		99	263
Lease payments not included in the measurement of lease liabilities		(16,328)	(15,955)
Rent Received		11,704	11,704
Income taxes paid		(194,828)	(292,172)
Net cash provided by operating activities	**26**	**455,766**	**821,509**
Cash flows from investing activities			
Payments for property, plant and equipment		(66,022)	(5,646)
Proceeds from sale of property, plant and equipment		27	-
Redemption of/(investment in) term deposits		494,550	(3,521,825)
Payments for intangible assets		(30,455)	(30,455)
Net cash provided by/(used in) investing activities		**398,101**	**(3,557,926)**
Cash flows from financing activities			
Repayment of loans and borrowings		(7,385)	(6,868)
Repayment of lease liabilities		(124,019)	(128,300)
Dividends paid	24	(180,812)	(126,568)
Net cash used in financing activities		**(312,216)**	**(261,736)**
Net cash increase/(decrease) in cash held		**541,651**	**(2,998,153)**
Cash and cash equivalents at the beginning of the financial year		555,968	3,554,121
Cash and cash equivalents at the end of the financial year	**11**	**1,097,619**	**555,968**

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 Maroondah Community Enterprises 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	Principal Place of Business
13 MCKEON ROAD MITCHAM VIC 3132	62 RAILWAY AVENUE RINGWOOD EAST VIC 3135

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 29.

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. 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).

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.

Note 3 Material accounting policy information (continued)

Impairment of non-financial assets (continued)

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.

Impairment of non-financial assets

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

Recovery of deferred tax assets

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

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

Judgements (continued)

Lease term

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

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

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

Estimates and assumptions

Estimation of useful lives of assets

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

Incremental borrowing rate

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

Employee benefits provision

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

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

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

Lease make good provision

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

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 February 2029.

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	2,979,341	2,930,981
	2,979,341	**2,930,981**
Disaggregation of revenue from contracts with customers		
At a point in time:		
Margin income	2,656,996	2,667,978
Fee income	95,991	105,989
Commission income	226,354	157,014
	2,979,341	**2,930,981**

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.

Note 6 Revenue from contracts with customers (continued)

Accounting policy for revenue from contracts with customers (continued)

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

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

All revenue is stated net of the amount of Goods and Services Tax (GST). There was no revenue from contracts with customers recognised over time during the financial year.

Revenue calculation

The franchise agreement provides that three forms of revenue may be earned by the company – margin, commission and fee income. Bendigo Bank decides the form of revenue the company earns on different types of products and services. The revenue earned by the company is dependent on the business that it generates.

Margin income

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

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

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

Commission income

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

Fee income

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

Core banking products

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

Ability to change financial return

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

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

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

Note 7 Other revenue

	2026 $	2025 $
Sub-leasing income	11,704	11,704
Sale of property, plant and equipment	27	-
Other income	5,855	2,975
	17,586	**14,679**

Accounting policy for other revenue

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

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

Note 8 Finance revenue

	2026 $	2025 $
Term deposits	124,283	143,035
Other	98	1,360
	124,381	**144,395**

Accounting policy for finance revenue

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

Note 9 Expenses

Employee benefit expenses

	2026 $	2025 $
Wages and salaries	1,382,091	1,117,713
Non-cash benefits	7,337	21,234
Contributions to defined contribution plans	159,117	128,828
Expenses related to long service leave	(2,527)	320
Other expenses	90,863	74,638
	1,636,881	**1,342,733**

Depreciation and amortisation expense

	2026 $	2025 $
Depreciation of non-current assets:		
Buildings	18,224	18,224
Leasehold improvements	23,527	21,187
Plant and equipment	14,317	14,724
Motor vehicles	4,323	4,354
	60,391	**58,489**

Note 9 Expenses (continued)

Depreciation and amortisation expense (continued)

	2026 $	2025 $
Depreciation of right-of-use assets		
Leased land and buildings	120,491	111,634
	120,491	**111,634**
Amortisation of intangible assets:		
Franchise fee	4,611	4,611
Franchise renewal process fee	23,060	23,060
	27,671	**27,671**
Total depreciation and amortisation expense	**208,553**	**197,794**

Finance costs

Lease interest expense	3,576	5,198
Unwinding of make-good provision	3,111	3,192
Other	384	262
	7,070	**8,652**

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	199,540	165,492
Contribution to the Community Enterprise Foundation™	118,182	-
	317,722	**165,492**

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.

Note 10 Income tax expense

Amounts recognised in profit or loss

	2026 $	2025 $
Current tax expense/(credit)		
Current tax	163,178	260,828
Movement in deferred tax	(14,920)	(6,011)
	148,258	**254,817**

Note 10 Income tax expense (continued)

***Prima facie* income tax reconciliation**

	2026 $	2025 $
Operating profit before taxation	551,070	1,014,582
Prima facie tax on profit/(loss) from ordinary activities at 25% (2025: 25%)	137,769	253,646
Tax effect of:		
Non-deductible expenses	10,490	1,171
	148,259	**254,817**

Deferred tax

	2026 $	2025 $
Deferred tax assets		
expense accruals	1,500	-
employee provisions	32,535	28,499
make-good provision	13,439	13,287
lease liability	10,415	23,682
property, plant and equipment	77,328	70,217
Total deferred tax assets	**135,217**	**135,685**
Deferred tax liabilities		
property, plant and equipment	15,924	17,407
right-of-use assets	10,711	24,616
Total deferred tax liabilities	**26,635**	**42,023**
Deferred taxes brought to account	**-**	**-**
Net deferred tax assets (liabilities)	**108,582**	**93,662**

Current tax

	2026 $	2025 $
Income tax payable/(refundable)	**(8,822)**	**65,828**

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 11 Cash and cash equivalents

	2026 $	2025 $
Cash at bank and on hand	1,097,619	555,968
	1,097,619	**555,968**

Note 12 Trade and other receivables

	2026 $	2025 $
Current assets		
Trade receivables	270,764	236,339
Prepayments	28,166	15,784
Other receivables and accruals	23,775	20,221
	322,705	**272,344**
Financial assets at amortised cost classified as trade and other receivables		
Total trade and other receivables	322,705	272,344
less prepayments	(28,166)	(15,784)
	294,539	**256,560**

Note 13 Investments

	2026 $	2025 $
Term deposits	**3,305,579**	**3,681,169**

Note 14 Property, plant and equipment

	2026 $	2025 $
Land		
At cost	285,000	285,000
	285,000	**285,000**
Buildings		
At cost	728,952	728,952
Less: accumulated depreciation	(243,803)	(225,579)
	485,149	**503,373**
Leasehold improvements		
At cost	452,402	393,138
Less: accumulated depreciation	(314,985)	(291,458)
	137,417	**101,680**
Plant and equipment		
At cost	321,460	314,703
Less: accumulated depreciation	(234,405)	(220,088)
	87,055	**94,615**

Note 14 Property, plant and equipment (continued)

	2026 $	2025 $
Motor vehicles		
At cost	138,117	138,117
Less: accumulated depreciation	(115,414)	(111,091)
	22,703	**27,026**
Total written down amount	**1,017,325**	**1,011,694**

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

	2026 $	2025 $
Land		
Carrying amount at beginning	285,000	285,000
	285,000	**285,000**
Buildings		
Carrying amount at beginning	503,373	521,597
Depreciation	(18,224)	(18,224)
	485,149	**503,373**
Leasehold improvements		
Carrying amount at beginning	101,680	117,221
Additions	59,264	5,646
Depreciation	(23,527)	(21,187)
	137,417	**101,680**
Plant and equipment		
Carrying amount at beginning	94,615	109,339
Additions	6,757	-
Depreciation	(14,317)	(14,724)
	87,055	**94,615**
Motor vehicles		
Carrying amount at beginning	27,026	31,380
Depreciation	(4,323)	(4,354)
	22,703	**27,026**
Total written down amount	**1,017,325**	**1,011,694**

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.

Note 14 Property, plant and equipment (continued)

Accounting policy for property, plant and equipment (continued)

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

Asset class	Method	Useful life
Building	Straight-line	40 years
Leasehold improvements	Straight-line	over the lease term
Plant and equipment	Straight-line and diminishing value	2 to 10 years
Furniture, fixtures and fittings	Diminishing value	2 to 10 years
Motor vehicles	Diminishing value	3 to 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 15 Right-of-use assets

	2026 $	2025 $
Leased land and buildings		
At cost	693,240	651,365
Less: accumulated depreciation	(650,397)	(552,901)
Total written down amount	**42,843**	**98,464**

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

Leased land and buildings		
Carrying amount at beginning	98,464	143,075
Remeasurement adjustments	64,870	67,023
Depreciation	(120,491)	(111,634)
Total written down amount	**42,843**	**98,464**

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 19 for more information on lease arrangements.

Note 16 Intangible assets

	2026 $	2025 $
Franchise fee		
At cost	49,881	49,881
Less: accumulated amortisation	(37,740)	(33,129)
	12,141	**16,752**
Franchise renewal process fee		
At cost	234,420	234,420
Less: accumulated amortisation	(173,706)	(150,646)
	60,714	**83,774**
Total written down amount	**72,855**	**100,526**

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

Franchise fee		
Carrying amount at beginning	16,752	21,363
Amortisation	(4,611)	(4,611)
	12,141	**16,752**
Franchise renewal process fee		
Carrying amount at beginning	83,774	106,834
Amortisation	(23,060)	(23,060)
	60,714	**83,774**
Total written down amount	**72,855**	**100,526**

Accounting policy for intangible assets

Intangible assets of the company relate to the franchise fees paid to Bendigo Bank which conveys the right to operate the Community Bank franchise.

Intangible assets are measured on initial recognition at cost. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

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

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

Asset class	Method	Useful life
Franchise fee	Straight-line	Over the franchise term (5 years)
Franchise renewal process fee	Straight-line	Over the franchise term (5 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 17 Trade and other payables

	2026 $	2025 $
Current liabilities		
Trade creditors	34,915	45,791
Other payables and accruals	172,249	91,142
	207,164	**136,933**
Non-current liabilities		
Other payables and accruals	30,455	60,910
	30,455	**60,910**

	2026 $	2025 $
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	237,619	197,843
less other payables and accruals (net GST payable to the ATO)	(8,795)	(18,344)
	228,824	**179,499**

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.

Note 18 Loans and borrowings

	2026 $	2025 $
Current liabilities		
Chattel mortgage	7,941	7,385
	7,941	**7,385**
Non-current liabilities		
Chattel mortgage	10,773	18,714
	10,773	**18,714**

Terms and repayment schedule

			30 June 2026		30 June 2025	
	Nominal interest rate	Year of maturity	Face value	Carrying value	Face value	Carrying value
Chattel mortgage	7.55%	2029	18,714	18,714	26,099	26,099

Note 19 Lease liabilities

	2026 $	2025 $
Current liabilities		
Property lease liabilities	**41,659**	**65,735**
Non-current liabilities		
Property lease liabilities	**-**	**18,736**
Reconciliation of lease liabilities		
Balance at the beginning	84,471	138,643
Remeasurement adjustments	77,631	68,930
Lease interest expense	3,576	5,198
Lease payments - total cash outflow	(124,019)	(128,300)
	41,659	**84,471**

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
Croydon Branch	3.54%	3 years	N/A	N/A	November 2026
Ringwood East Branch	6.85%	1 year	N/A	N/A	November 2026

Note 20 Employee benefits

	2026 $	2025 $
Current liabilities		
Provision for annual leave	57,405	38,733
Provision for long service leave	56,055	67,354
	113,460	**106,087**
Non-current liabilities		
Provision for long service leave	16,679	7,907
	16,679	**7,907**

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.

Note 20 Employee benefits (continued)

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 21 Provisions

	2026 $	2025 $
Current liabilities		
Make-good on leased premises	**53,755**	**53,148**

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 $58,460 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.

Note 22 Issued capital

	2026		2025	
	Number	**$**	**Number**	**$**
Ordinary shares - fully paid	1,148,109	1,148,109	1,148,109	1,148,109
Bonus shares - fully paid (4:1)	660,009	-	660,009	-
Less: equity raising costs	-	(74,823)	-	(74,823)
	1,808,118	**1,073,286**	**1,808,118**	**1,073,286**

Accounting policy for issued capital

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

Rights attached to issued capital

Ordinary shares

Voting rights

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

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

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

Note 22 Issued capital (continued)

Rights attached to issued capital (continued)

Dividends

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

Transfer

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

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

Prohibited shareholding interest

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

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

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").
- Where the person is a shareholder, after the transfer of shares in the company to that person the number of shareholders in the company is (or would be) lower than the base number (the "base number test"). The base number is 386. As at the date of this report, the company had 366 shareholders (2025: 366 shareholders).

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

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

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

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

Note 23 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.

Note 23 Capital management (continued)

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

Note 24 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	10.00	180,812	7.00	126,568
Total dividends provided for and paid during the financial year	**10.00**	**180,812**	**7.00**	**126,568**

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

Franking account balance

	2026 $	2025 $
Franking credits available for subsequent reporting periods		
Franking account balance at the beginning of the financial year	1,633,889	1,383,907
Franking transactions during the financial year:		
- Franking credits (debits) arising from income taxes paid (refunded)	194,828	292,171
- Franking debits from the payment of franked distributions	(60,271)	(42,189)
Franking account balance at the end of the financial year	**1,768,446**	**1,633,889**
Franking transactions that will arise subsequent to the financial year end:		
- Franking credits (debits) that will arise from payment (refund) of income tax	34,177	65,828
Franking credits available for future reporting periods	**1,802,623**	**1,699,717**

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

Accounting policy for dividends

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

Note 25 Financial risk management

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

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

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

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

Note 25 Financial risk management (continued)

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	12	294,539	256,560
Cash and cash equivalents	11	1,097,619	555,968
Investments	13	3,305,579	3,681,169
		4,697,736	**4,493,697**
Financial liabilities			
Trade and other payables	17	228,824	179,499
Chattel Mortgage	18	18,714	26,099
Lease liabilities	19	41,659	84,471
		289,197	**290,069**

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

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

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

Derecognition

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

Impairment of trade and other receivables

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

Financial liabilities

Classification

The company classifies its financial liabilities at amortised cost.

Derecognition

A financial liability is derecognised 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.

Note 25 Financial risk management (continued)

Liquidity risk

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

30 June 2026

		Contractual cash flows		
Financial liability	Carrying amount	Not later than 12 months	Between 12 months and five years	Greater than five years
Chattel Mortgage	18,715	7,941	10,773	-
Lease liabilities	41,659	41,659	-	-
Trade payables	228,824	207,164	30,455	-
	289,198	**256,764**	**41,228**	**-**

30 June 2025

		Contractual cash flows		
Financial liability	Carrying amount	Not later than 12 months	Between 12 months and five years	Greater than five years
Chattel Mortgage	26,099	7,385	18,714	-
Lease liabilities	84,471	65,735	18,736	-
Trade payables	179,499	136,933	60,910	-
	290,069	**210,053**	**98,360**	**-**

Note 26 Reconciliation of cash flows from operating activities

	2026 $	2025 $
Net profit after tax from ordinary activities	402,812	759,765
Adjustments for:		
- Depreciation	180,882	170,123
- Amortisation	27,671	27,671
- Financing Costs	3,576	-
- (Profit)/loss on disposal of non-current assets	(27)	-
Changes in assets and liabilities:		
- (Increase)/decrease in trade and other receivables	(32,657)	33,782
- (Increase)/decrease in other assets	(126,408)	(149,822)
- Increase/(decrease) in trade and other payables	27,232	2,097
- Increase/(decrease) in deferred tax assets	14,920	6,011
- Increase/(decrease) in employee benefits	16,145	135
- Increase/(decrease) in provisions	3,110	3,091
- Increase/(decrease) in tax liabilities	(61,490)	(31,344)
Net cash flows provided by operating activities	**455,767**	**821,509**

Note 27 Auditor's remuneration

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

	2026 $	2025 $
Audit and review services		
- Audit and review of financial statements	14,225	9,870
Non audit services		
- Share registry services	10,643	5,916
Total auditor's remuneration	**24,868**	**15,786**

Note 28 Key management personnel disclosures

The following persons were directors of the company during the financial year and/or up to the date of signing of these Financial Statements.

Nora Clare Lamont

Stuart Robert Greig

William Pirie Sutherland

Anthony Morris Hart

Matthew Mark Cannon

Daryl Leslie Minter

Andrew O'Brien

Key management personnel compensation comprised the following.

	2026 $	2025 $
Short-term employee benefits	42,678	44,172
Post-employment benefits	1,321	928
	43,999	**45,100**

Compensation of the company's key management personnel includes salaries, non-cash benefits, contributions to a post-employment defined contribution plan, and long service leave entitlements.

Note 29 Related party transactions

The following transactions occurred with related parties:

	2026 $	2025 $
- Maroondah Business Group received sponsorship during the period. Anthony Hart is the Secretary.	-	2,000
- Lilydale Probus Club received a grant during the period. William Sutherland is the Secretary.	-	870
- Greig Real Estate Pty Ltd, a company associated with Stuart Robert Greig, supplied services or goods to the value of:	-	3,500
- Focus Financial Group Pty Ltd, a company associated with Matthew Mark Cannon, supplied services or goods to the value of:	40,410	41,270
Total transactions with related parties	**40,410**	**47,640**

Note 30 Earnings per share

	2026 $	2025 $
Profit attributable to ordinary shareholders	**402,812**	**759,765**

	Number	Number
Weighted-average number of ordinary shares	**1,808,118**	**1,808,118**
Basic and diluted earnings per share	**22.28**	**42.02**

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 31 Commitments

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

Note 32 Contingencies

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

Note 33 Events after the reporting period

The lease at 62 Railway Avenue Ringwood East will not be renewed and banking operations will be relocated to 60 Railway Avenue Ringwood East. The sublet income will cease. The premises will undergo a refurbishment during the 2027 Financial Year.

No other 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

For the financial year ended 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*.



Nora Clare Lamont
Chair

28 September 2026

Independent audit report

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

Independent auditor's report to the members of Maroondah Community Enterprises Limited

Report on the Audit of the Financial Report

Our opinion

In our opinion, the accompanying financial report of Maroondah Community Enterprises 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
ii. complying with Australian Accounting Standards and the Corporations Regulations 2001.

What we have audited

We have audited the financial report of the company, which comprises:

- the Statement of financial position as at 30 June 2026
- the Statement of profit or loss and other comprehensive income for the year ended 30 June 2026
- the Statement of changes in equity for the year ended 30 June 2026
- the Statement of cash flows for the year ended 30 June 2026
- the 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 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.

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

Other information

The directors are responsible for the other information. The other information comprises the 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.

Liability limited by a scheme approved under Professional Standards Legislation.

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Our opinion on the financial report does not cover the other information and accordingly we do 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: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf This description forms part of our auditor's report.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 28 September 2026

Joshua Griffin
Lead Auditor

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