Annual Report 2026

Meander Valley Financial Services Limited

Community Bank
Deloraine & Districts

ABN 27 111 858 078

Contents

Chair's report 2

Manager's report 4

Director's report 6

Auditor's independence declaration 11

Financial statements 12

Notes to the financial statements 16

Director's declaration 36

Independent auditor's report 37

Chair's report

Annual Report – Chair 2026

We are proud to be part of one of the largest social enterprise models in the world, The Bendigo Bank Community Bank Network. This relationship allows us to align with one of Australia's biggest banks and facilitates realised investment into our local community.

As a part of the Bendigo Bank Community Bank Network, Community Bank Deloraine & Districts continues to deliver both to our customers and to our community. With over 20 years of operation the business continues to grow, and with this growth we assist our community by supporting projects and events which are important for OUR Community.

I would like to thank all those who were involved in establishing the Community Bank Deloraine & Districts, and to all those who have help keep it going. Your vision has helped create something great for Deloraine and the wider Meander Valley District.

Over the past 20 years, Community Bank Deloraine & Districts has returned more than $4 million to the Meander Valley community through grants, sponsorships, dividends, scholarships, donations and other community investments. This includes $1.65 million in grant funding, more than $1.09 million in sponsorship support, $741,000 in dividends to shareholders, $322,500 in scholarships supporting 58 local students, and almost $233,000 towards other community initiatives.

It is a remarkable achievement to have returned over $4 million to the Meander Valley Community. This is only possible through the ongoing support of our customers and shareholders. The Community Bank Model Nationally has returned $467 million to communities across Australia since 1998.

I would like to thank the team at Community Bank Deloraine & Districts for their exceptional service, proactive management, and professional delivery. Since our last AGM we appointed new Branch Manager, David Elliott. David has settled in well and is doing a remarkable job of keeping the team motivated and the branch performing well. We are glad to have David on board and are refreshed to see him encouraging the team and creating a positive environment, fostering personal development, professional training and strong team cooperation. Special thanks to the Community Bank team. Everyone is really extending themselves and advancing their skillsets, helping create a stronger Community Bank with stronger team members.

Thank you to Martyn Neville (Tasmanian regional manager) and the broader Bendigo Bank network for their ongoing support of our Community Bank team and Board.

We will continue to face the ongoing challenges of a changing global climate; it is uplifting to see the drive and eagerness of our team. I have comfort in knowing they are working hard to ensure we continue to grow and prosper as a business. Each member of our team is incredibly valuable, and they understand the value of the work they do.

During FY26, the Board farewelled several valued directors who have made significant contributions to both the organisation and the broader community.

Anne Harvey retired from the Board after more than a decade of dedicated service. Throughout her tenure, Anne held a range of leadership roles and contributed significant time, expertise and commitment to the success of the organisation.

Chair's report (continued)

Lindy Norton resigned from the board in early 2026. Lindy took on many roles in her time covering both leadership and community interaction and maintaining and fostering connections. Lindy's service to the board and friendship to fellow members, sta¯ and the general public helped build a strong connected community.

More recently, Andrew Johnston resigned from the Board after many years of service. Andrew has been a trusted colleague, generous with his knowledge and consistently thoughtful in his contributions. His leadership as Acting Chair in recent months ensured continuity and strong governance during a period of transition.

At the conclusion of the year, Kim Rootes will also retire from the Board as she embarks on an exciting new chapter. Kim's dedication, insight and commitment have made her a highly valued member of the Board and she will be greatly missed.

As a Board we recognise the challenges emerging. We continue to develop and innovate ensuring we stay on the pulse and proactively work to maintain a much-needed service in an ever-changing financial climate.

While I have only recently commenced as Chair, I have been fortunate to inherit a strong organisation, supported by an experienced Board, committed staff, loyal customers and engaged shareholders. I look forward to working with all these groups as we continue to strengthen both our business and our community impact.

I would like to extend thanks to Graham Dent and Andrew Johnston for leading us through the past 12 months - Graham as Chair and Andrew as acting chair in his absence. Both provided a strong set of shoulders to carry us along. They continued to contribute and direct us forward, all the while managing their own concerns.

I would like to thank my fellow directors. Their passion and commitment to the business and the community is what helps make this so successful. Our board of volunteer directors are passionate about our community, giving up their time, knowledge and skills to help us drive a strong business benefiting our customers and allows us to distribute the profits directly back into the community.

Looking ahead, our partnership with Bendigo Bank, together with the support of our shareholders, customers, staff and directors, will continue to underpin our success. By working together, we can ensure Community Bank Deloraine & Districts remains a strong and sustainable organisation that delivers meaningful benefits to our community for many years to come.

Thank you to everyone who has contributed to our success during the past year and for your continued support of the Community Bank model.

Jason Taylor
Chair

Manager’s report

Branch Manager’s Report

Community Bank Deloraine & Districts It is with great pleasure that I present the Branch Manager’s Report for the Community Bank Deloraine & Districts. Reflecting on the past year, I am incredibly proud of what we have achieved together. Our branch continues to stand as a pillar of support, connection, and financial strength for our local community.

Driven by Community Purpose

At the heart of the Bendigo Bank model is a simple but powerful idea: that successful customers and a successful community go hand in hand. This year, our team has truly lived this philosophy. Our staff take immense pride in giving back to the community that they call home. Whether through volunteering at local events, supporting grassroots sporting clubs, or participating in communityled initiatives, our team's enthusiasm for making a positive difference outside the branch walls is inspiring.

Our dedication to the local area is backed by significant financial investment. In the 2025/26 financial year alone, we gave back $300,358 in community grants, sponsorships, and scholarships. This brings the total amount returned to our community to an incredible $4,106,187 since our inception. This contribution represents the tangible impact of our community banking model in action and is a local heart that truly sets us apart from other financial institutions.

Continued Growth Through Shared Dedication

Despite a dynamic and changing economic landscape, I am pleased to report that the branch has achieved continued growth over the past year, with our total business under management reaching $209,273,935. This sustained success does not happen by accident; it is the direct result of the hard work, professionalism, and unwavering dedication of our branch staff and our volunteer Board of Directors.

To our staff: thank you for your daily commitment to delivering exceptional service and for always putting our customers first. Your hard work is the engine room of our branch.

To our Board of Directors: thank you for your strategic guidance, support, and advocacy. Your leadership ensures that our branch remains strong, focused, and deeply aligned with the needs of the Deloraine and districts community.

Celebrating Our Customers

Most importantly, we owe our success to you—our customers. Quite simply, without your continued support and loyalty, we would not be where we are today.

Manager's report (continued)

Every account opened, every loan approved, and every insurance policy written with us directly translates into our capability to reinvest in local projects, schools, and community infrastructure. When you choose to bank with us, you are choosing to invest in the future of Deloraine and its surrounding districts. We thank you for placing your trust in us, and we look forward to partnering with you to achieve your financial goals in the years ahead.

Looking to the Future

As we look toward the next year, our focus remains clear. We will continue to build strong relationships, provide outstanding personalized service, and seek new opportunities to contribute to the prosperity of our region.

Thank you once again to our staff, our board, and our wonderful customers for making this a successful and rewarding year.

David Elliott
Branch Manager
Community Bank Deloraine & Districts
Bendigo Bank

Director’s report

Meander Valley Financial Services Limited
Directors' report
30 June 2026

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

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

Name:	Jason Donald Taylor
Title:	Non-executive director
Experience and expertise:	Jason is an agronomist and agricultural contractor who holds a Bachelor of Agricultural Science, bringing practical expertise across agronomy and farm contracting services. He is an active community contributor through his involvement with the Deloraine Community Big Band, the Deloraine Apex Club, and his role as President of the JFH Student Club Committee.
Special responsibilities:	Chair as of August 2026
Name:	Graham Stephen Dent
Title:	Non-executive director
Experience and expertise:	Graham is a primary producer and seed cleaner with experience across agricultural and community service roles, including fire service involvement and active participation in Rotary. He has previously served as both Chair and Director of Tasmanian Seeds Ltd, demonstrating strong leadership within the agricultural sector.
Special responsibilities:	Interim Chair between November 2025 till August 2026, Deputy Chair as of August 2026, Farmers Night Chair, Business Development Committee.
Name:	Carmen Elizabeth Cresswell
Title:	Non-executive director
Experience and expertise:	Carmen is a farmer who studied at the University of Tasmania before returning to work on the family farm, where she owns and operates a White Suffolk sheep stud. She brings secretarial and administrative experience gained through involvement with local sporting groups, and is currently Vice President of the Deloraine Show Society, a committee member of the Tasmanian Endurance Riders Club, and provides support to the Deloraine Fire Brigade.
Special responsibilities:	Deputy Chair as of August 2026 and Marketing and Communications Committee
Name:	Laura Jane Richardson
Title:	Non-executive director
Experience and expertise:	Laura brings significant experience in governance, management and community leadership, having held roles including Executive Officer, Regional Manager, Senior Ministerial Adviser, and Past Chair and Company Secretary of Meander Valley Financial Services Limited. She is a 2022 Meander Valley Citizen of the Year, a Life Member of the Deloraine Amateur Basketball Association, a founding committee member of the Deloraine Devils Netball Club, current President of the Chudleigh Agricultural and Horticultural Society, and a Past President and Service Award recipient of Rural Youth Tasmania
Special responsibilities:	Marketing and Communications Committee
Name:	Barry Gordon Pearn
Title:	Non-executive director

Director’s report

Meander Valley Financial Services Limited
Directors' report
30 June 2026

Experience and expertise:	Barry is a semi-retired IT consultant with a diverse professional background spanning earthmoving and land clearing, onsite contracting management at a Woodchip Mill, farm drainage, civil contract administration and IT consulting. He holds a Bachelor of Business (Accounting), a Graduate Diploma of Applied Computing and a Masters of Computing, and has contributed to his community through membership of the Rotary Club of Westbury, the Whitemore Fire Brigade, and service as a National Councillor and Treasurer of the Civil Contractors Federation.
Special responsibilities:	Treasurer
Name:	Kim Maree Anne Rootes
Title:	Non-executive director
Experience and expertise:	Kim retired from her role as School Business Manager with the Department of Education, Children and Young People in November 2024, having built considerable experience in educational administration and financial management. She joined the Board of Meander Valley Financial Services in July 2020 and has served as Company Secretary from November 2021, a role she holds through to 2026.
Special responsibilities:	Company Secretary, Governance and Audit Committee
Name:	Bronwyn Meadows Smith
Title:	Non-executive Director *(appointed 31 March 2026)*
Experience and expertise:	Bronwyn is the CEO and Founder of CB-Virtual Solutions, bringing extensive experience in corporate governance, business improvement and business systems. She holds a Bachelor of Engineering (Mining) and applies her technical and strategic expertise to support sound organisational leadership.
Special responsibilities:	Nil
Name:	Anne Margaret Harvey
Title:	Non-executive director *(resigned 30 November 2025)*
Experience and expertise:	Teacher. Current Dairy Farmer/Agistment Business. Diploma of Teaching and Bachelor of Education. Current life member of Deloraine Community band. Life member of Deloraine Primary School Association.
Special responsibilities:	Chair, Business Development Committee
Name:	Melinda Kaye Norton
Title:	Non-executive director *(resigned 29 January 2026)*
Experience and expertise:	Melinda is the Chair of MVFSL and Treasurer of Weegena Hall Committee and is a volunteer fire fighter.
Special responsibilities:	Governance and Audit Committee
Name:	Andrew Raymond Johnston
Title:	Non-executive director *(resigned August 2026)*

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

Company secretary
There have been two company secretaries holding the position during the financial year:

- Bronwyn Meadows Smith was appointed company secretary on 26 March 2026.
- Kim Maree Anne Rootes was appointed as company secretary on 25 November 2021 and ceased on 26 March 2026.

Director’s report

Meander Valley Financial Services Limited
Directors' report
30 June 2026

Principal activity
The principal activity of the company during the financial year was facilitating Community Bank services under management rights of Bendigo and Adelaide Bank Limited (Bendigo Bank).

There have been no significant changes in the nature of this activity during the financial year.

Review of operations
The profit for the company after providing for income tax amounted to $92,519 (30 June 2025: $89,519).

Operations have continued to perform in line with expectations.

Dividends
During the financial year, the following dividends were provided for and paid. The dividends have been provided for in the financial statements.

	2026 $	2025 $
Fully franked dividend of 10 cents per share (2025: 10 cents)	65,000	65,000

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 under Australian Commonwealth or State law.

Meetings of directors
The number of directors’ meetings each director was eligible to attend and attended during the financial year was as follows:

	Board	
	Eligible	Attended
Jason Donald Taylor	12	10
Graham Stephen Dent	12	10
Carmen Elizabeth Cresswell	12	10
Laura Jane Richardson	12	9
Barry Gordon Pearn	12	11
Andrew Raymond Johnston	12	11
Kim Maree Anne Rootes	12	12
Anne Margaret Harvey	6	6
Melinda Kaye Norton	7	7
Bronwyn Meadows Smith		

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 21 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.

Director’s report

Meander Valley Financial Services Limited
Directors' report
30 June 2026

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

	Balance at the start of the year	Changes	Balance at the end of the year
Jason Donald Taylor			
Graham Stephen Dent	28,000		28,000
Carmen Elizabeth Cresswell	1,000		1,000
Laura Jane Richardson	2,751	1,000	3,751
Barry Gordon Pearn			
Andrew Raymond Johnston	500		500
Kim Maree Anne Rootes			
Anne Margaret Harvey	1,000		1,000
Melinda Kaye Norton	500		500
Bronwyn Meadows Smith			

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.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the *Corporations Act 2001*.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Non-audit services
The company may decide to employ the auditor on assignments additional to their statutory duties where the auditor's expertise and experience with the company are important. Details of the amounts paid or payable to the auditor (Andrew Frewin Stewart) for audit and non-audit services provided during the year are set out in note 23 to the accounts.

Director’s report

Meander Valley Financial Services Limited
Directors' report
30 June 2026

The board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of the non-audit services is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

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

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

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



Jason Taylor
Chair

24 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 Meander Valley Financial Services Limited

As lead auditor for the audit of Meander Valley 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.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 24 September 2026

Adrian Downing
Lead Auditor

Financial statements

Meander Valley Financial Services Limited
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	1,671,940	1,564,488
Other revenue		3,792	74
Finance revenue		15,998	16,260
Total revenue		1,691,730	1,580,822
Employee benefits expense	7	(710,866)	(605,652)
Advertising and marketing costs		(23,482)	(34,719)
Occupancy and associated costs		(37,134)	(31,847)
System costs		(20,567)	(21,223)
Depreciation and amortisation expense	7	(86,079)	(83,914)
Finance costs	7	(19,309)	(6,842)
General administration expenses		(132,660)	(124,496)
Total expenses before community contributions and income tax		(1,030,097)	(908,693)
Profit before community contributions and income tax expense		661,633	672,129
Charitable donations, sponsorships and grants expense	7	(537,577)	(551,467)
Profit before income tax expense		124,056	120,662
Income tax expense	8	(31,537)	(31,143)
Profit after income tax expense for the year		92,519	89,519
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		92,519	89,519
		Cents	**Cents**
Basic earnings per share	25	14.23	13.77
Diluted earnings per share	25	14.23	13.77

Meander Valley Financial Services Limited
Statement of financial position
As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	9	46,999	34,159
Trade and other receivables	10	130,027	90,401
Investments	11	335,728	308,730
Total current assets		512,754	433,290
Non-current assets			
Property, plant and equipment	12	173,581	210,938
Right-of-use assets	13	275,517	163,816
Intangible assets	14	58,363	-
Total non-current assets		507,461	374,754
Total assets		1,020,215	808,044
Liabilities			
Current liabilities			
Trade and other payables	15	140,001	117,230
Lease liabilities	16	39,572	37,516
Current tax liabilities	8	1,838	1,121
Total current liabilities		181,411	155,867
Non-current liabilities			
Trade and other payables	15	48,150	-
Lease liabilities	16	238,929	140,330
Deferred tax liabilities	8	8,845	16,397
Provisions		24,519	4,608
Total non-current liabilities		320,443	161,335
Total liabilities		501,854	317,202
Net assets		518,361	490,842
Equity			
Issued capital	17	618,894	618,894
Accumulated losses		(100,533)	(128,052)
Total equity		518,361	490,842

Meander Valley Financial Services Limited
Statement of changes in equity
For the year ended
30 June 2026

	Note	Issued capital $	Accumulated losses $	Total equity $
Balance at 1 July 2024		618,894	(152,571)	466,323
Profit after income tax expense		-	89,519	89,519
Other comprehensive income, net of tax		-		
Total comprehensive income		-	89,519	89,519
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	19	-	(65,000)	(65,000)
Balance at 30 June 2025		618,894	(128,052)	490,842
Balance at 1 July 2025		618,894	(128,052)	490,842
Profit after income tax expense		-	92,519	92,519
Other comprehensive income, net of tax		-		
Total comprehensive income		-	92,519	92,519
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	19	-	(65,000)	(65,000)
Balance at 30 June 2026		618,894	(100,533)	518,361

Meander Valley Financial Services Limited
Statement of cash flows
For the year ended
30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,821,127	1,741,605
Payments to suppliers and employees (inclusive of GST)		(1,635,387)	(1,731,714)
Interest received		15,998	16,260
Income taxes paid		(37,734)	(30,603)
Net cash provided by/(used in) operating activities	24	164,004	(4,452)
Cash flows from investing activities			
Redemption of/(investment in) term deposits		(26,998)	128,771
Payments for property, plant and equipment	12	(3,999)	(3,619)
Payments for intangible assets		(14,591)	(14,383)
Net cash provided by/(used in) investing activities		(45,588)	110,769
Cash flows from financing activities			
Interest and other finance costs paid		(17,841)	(6,684)
Dividends paid	19	(65,000)	(65,000)
Repayment of lease liabilities		(22,735)	(31,435)
Net cash used in financing activities		(105,576)	(103,119)
Net increase in cash and cash equivalents		12,840	3,198
Cash and cash equivalents at the beginning of the financial year		34,159	30,961
Cash and cash equivalents at the end of the financial year	9	46,999	34,159

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 1. Reporting entity

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

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is 49 Emu Bay Road, Deloraine TAS 7304

A description of the nature of the company's operations and its principal activity is included in the directors' report, which is not part of the financial statements.

Note 2. Basis of preparation and statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB). The financial statements have been prepared on an accrual and historical cost basis and are presented in Australian dollars, which is the company's functional and presentation currency.

The directors have a reasonable expectation that the company has adequate resources to pay its debts as and when they fall due for the foreseeable future. For these reasons, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 September 2026. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

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

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

Accounting standards issued but not yet effective
Australian Accounting Standards and Interpretations that have been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2026. The company has not yet assessed the impact of these new or amended Accounting Standards and

AASB 18 Presentation and Disclosure in Financial Statements
AASB 18 (effective for annual reporting periods beginning on or after 1 January 2027) will replace AASB 101 Presentation of Financial Statements. Early adoption is permitted.

The new standard does not change how amounts are recognised or measured. However, it will change how information is presented and disclosed in the financial statements. This includes a revised structure for the statement of profit or loss and other comprehensive income, new subtotals, and additional disclosures for certain performance measures.

The company intends to adopt the standard from 1 July 2027. The impact is expected to be limited to changes in presentation and disclosure

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

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 3. Material accounting policy information (continued)

Investments
Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments in managed funds are measured at fair value through profit or loss. Changes in fair value are recognised in profit or loss in the period in which they arise. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

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

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

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

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

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

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

Note 4. Critical accounting judgements, estimates and assumptions

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

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

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

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

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

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.

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 economic 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-ofuse 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.

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

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

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.

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 July 2030.

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.

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 6. Revenue from contracts with customers

	2026 $	2025 $
Margin income	1,502,183	1,387,193
Fee income	71,007	79,905
Commission income	98,750	97,390
	1,671,940	1,564,488

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 noninterest income when the company's right to receive the payment is established.

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

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

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

All revenue is stated net of the amount of GST. There was no revenue from contracts with customers recognised over time during the financial year.

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

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 Group including fees for loan applications and account transactions.

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

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. Expenses

Employee benefits expense

	2026 $	2025 $
Wages and salaries	529,801	481,301
Superannuation contributions	63,524	55,519
Expenses related to long service leave	9,364	4,694
Other expenses	108,177	64,138
	710,866	605,652

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

Depreciation and amortisation expense

	2026 $	2025 $
Depreciation of non-current assets		
Leasehold improvements	20,963	21,491
Plant and equipment	14,381	9,237
Motor vehicles	6,012	8,016
	41,356	38,744
Depreciation of right-of-use assets		
Leased land and buildings	30,132	32,199
Amortisation of intangible assets		
Franchise fee	2,432	2,161
Franchise renewal fee	12,159	10,810
	14,591	12,971
	86,079	83,914

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 7. Expenses (continued)

Finance costs

	2026 $	2025 $
Lease interest expense	17,841	6,684
Unwinding of make good provision	1,468	158
	19,309	6,842

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

Charitable donations, sponsorships and grants expense

	2026 $	2025 $
Direct donation, sponsorship and grant payments	131,927	354,012
Contribution to the Community Enterprise Foundation™	405,650	197,455
	537,577	551,467

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

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

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

Note 8. Income tax

	2026 $	2025 $
Income tax expense		
Current tax	39,089	35,821
Movement in deferred tax	(7,552)	(4,678)
Aggregate income tax expense	31,537	31,143
Prima facie income tax reconciliation		
Profit before income tax expense	124,056	120,662
Tax at the statutory tax rate of 25%	31,014	30,166
Tax effect of:		
Non-deductible expenses	523	977
Income tax expense	31,537	31,143

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 8. Income tax (continued)

	2026 $	2025 $
Deferred tax (assets)/liabilities		
Property, plant and equipment	17,300	21,612
Right-of-use assets	68,879	40,954
Lease liabilities	(69,625)	(44,462)
Employee benefits	(330)	-
Provision for lease make good	(6,130)	(1,152)
Accrued expenses	(1,249)	(555)
Deferred tax liability	8,845	16,397

	2026 $	2025 $
Provision for income tax	1,838	1,121

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
Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Note 9. Cash and cash equivalents

	2026 $	2025 $
Cash at bank and on hand	46,999	34,159

Note 10. Trade and other receivables

	2026 $	2025 $
Trade receivables	99,677	77,499
Other receivables and accruals	18,835	3,314
Prepayments	11,515	9,588
	30,350	12,902
	130,027	90,401

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 10. Trade and other receivables (continued)

	2026 $	2025 $
Financial liabilities at amortised cost classified as trade and other receivables		
Total trade and other receivables	130,027	90,401
Less GST refundable from the ato, included in trade and other receivables	(18,835)	(3,314)
Less prepayments, included in trade and other receivables	(11,515)	(9,588)
	99,677	77,499

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

Note 11. Investments

	2026 $	2025 $
Current assets		
Managed funds	335,728	308,730

Note 12. Property, plant and equipment

	2026 $	2025 $
Leasehold improvements - at cost	311,930	311,930
Less: Accumulated depreciation	(200,951)	(179,988)
	110,979	131,942
Plant and equipment - at cost	163,712	159,713
Less: Accumulated depreciation	(119,146)	(104,765)
	44,566	54,948
Motor vehicles - at cost	43,680	43,680
Less: Accumulated depreciation	(25,644)	(19,632)
	18,036	24,048
	173,581	210,938

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 12. Property, plant and equipment (continued)

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

	Leasehold improvements $	Plant and equipment $	Motor Vehicle $	Total $
Balance at 1 July 2024	163,440	50,559	32,064	246,063
Additions	307	3,312	-	3,619
Transfers in/(out)	(10,314)	10,314	-	-
Depreciation	(21,491)	(9,237)	(8,016)	(38,744)
Balance at 30 June 2025	131,942	54,948	24,048	210,938
Additions	-	3,999	-	3,999
Depreciation	(20,963)	(14,381)	(6,012)	(41,356)
Balance at 30 June 2026	110,979	44,566	18,036	173,581

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

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

Leasehold improvements	10 years
Plant and equipment	2 to 10 years
Motor vehicle	4 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.
Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets.
An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 13. Right-of-use assets

	2026 $	2025 $
Land and buildings - right-of-use	470,260	328,427
Less: Accumulated depreciation	(194,743)	(164,611)
	275,517	163,816

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 13. Right-of-use assets (continued)

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

	Land and buildings $
Balance at 1 July 2024	189,802
Remeasurement adjustments	6,213
Depreciation expense	(32,199)
Balance at 30 June 2025	163,816
Remeasurement adjustments	141,833
Depreciation expense	(30,132)
Balance at 30 June 2026	275,517

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 16 for more information on lease arrangements.

Note 14. Intangible assets

	2026 $	2025 $
Franchise fee	105,881	93,722
Less: Accumulated amortisation	(96,154)	(93,722)
	9,727	-
Franchise renewal fee	229,408	168,613
Less: Accumulated amortisation	(180,772)	(168,613)
	48,636	-
	58,363	-

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

	Franchise fee $	Franchise renewal fee $	Total $
Balance at 1 July 2024	2,161	10,810	12,971
Amortisation expense	(2,161)	(10,810)	(12,971)
Balance at 30 June 2025	-	-	-
Additions	12,159	60,795	72,954
Amortisation expense	(2,432)	(12,159)	(14,591)
Balance at 30 June 2026	9,727	48,636	58,363

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 14. 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.

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

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

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

Asset class	Method	Useful life	Expiry/renewal date
Franchise fee	Straight-line	Over the franchise term (5 years)	July 2030
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	July 2030

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

Change 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 15. Trade and other payables

	2026 $	2025 $
Current liabilities		
Trade payables	105,915	102,514
Other payables and accruals	34,086	14,716
	140,001	117,230
Non-current liabilities		
Other payables and accruals	48,150	-

Note 16. Lease liabilities

	2026 $	2025 $
Current liabilities		
Land and buildings lease liabilities	39,572	37,516
Non-current liabilities		
Land and buildings lease liabilities	238,929	140,330

Reconciliation of lease liabilities

	2026 $	2025 $
Opening balance	177,846	203,068
Remeasurement adjustments	123,390	6,213
Lease interest expense	17,841	6,684
Lease payments - total cash outflow	(40,576)	(38,119)
	278,501	177,846

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 16. Lease liabilities (continued)

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 available	Reasonably certain to exercise options	Lease term end date used in calculations
Branch	6.91%	5 years	1 x 5 years	Yes	July 2035

Note 17. Issued capital

	2026 Shares	2025 Shares	2026 $	2025 $
Ordinary shares - fully paid	650,000	650,000	650,000	650,000
Less: Equity raising costs	-	-	(31,106)	(31,106)
	650,000	650,000	618,894	618,894

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.

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 17. 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 316. As at the date of this report, the company had 325 shareholders (2025: 333 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 18. Capital management

The board's policy is to maintain a strong capital base so as to sustain future development of the company. The board monitor the return on capital and the level of distributions to shareholders. Capital is represented by total equity as recorded in the statement of financial position.

In accordance with the franchise agreement, in any 12 month period the funds distributed to shareholders shall not exceed the distribution limit.

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 18. Capital management (continued)

The distribution limit is the greater of:

- 20% of the profit or funds of the company otherwise available for distribution to shareholders in that 12 month period; and
- subject to the availability of distributable profits, the relevant rate of return multiplied by the average level of share capital of the company over that 12 month period where the relevant rate of return is equal to the weighted average interest rate on 90 day bank bills over that 12 month period plus 5%.

The board is managing the growth of the business in line with this requirement. There are no other externally imposed capital requirements, although the nature of the company is such that amounts will be paid in the form of charitable donations and sponsorship. Charitable donations and sponsorship paid for the financial year can be seen in the statement of profit or loss and other comprehensive Income.

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

Note 19. Dividends

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

	2026 $	2025 $
Fully franked dividend of 10 cents per share (2025: 10 cents)	65,000	65,000

Franking credits

	2026 $	2025 $
Franking account balance at the beginning of the financial year	45,559	36,623
Franking credits (debits) arising from income taxes paid (refunded)	37,734	30,603
Franking debits from the payment of franked distributions	(21,667)	(21,667)
	61,626	45,559
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	61,626	45,559
Franking credits (debits) that will arise from payment (refund) of income tax	11,151	9,796
Franking credits available for future reporting periods	72,777	55,355

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 20. Financial risk management

The company's financial instruments include trade receivables and payables, cash and cash equivalents, managed funds 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:

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 20. Financial risk management (continued)

- 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.

	2026 $	2025 $
Financial assets at amortised cost		
Cash and cash equivalents (note 9)	46,999	34,159
Trade and other receivables (note 10)	99,677	77,499
	146,676	111,658
Financial assets at fair value through profit or loss		
Managed funds (note 11)	335,728	308,730
Financial liabilities		
Trade and other payables (note 15)	188,151	117,230
Lease liabilities (note 16)	278,501	177,846
	466,652	295,076

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 in the following categories:

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

The company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents.

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

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

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

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 20. Financial risk management (continued)

Financial Liabilities

Classification
The company classifies its financial liabilities at amortised cost.

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

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

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. The company held cash and cash equivalents of $46,999 at 30 June 2026 (2025: $34,159).

Price risk
Price risk arises from the company's investment in managed funds, the value of which may fluctuate as a result of changes in underlying market prices. The company manages this exposure by monitoring the performance and value of its investments on an ongoing basis. The directors consider the company's exposure to price risk in the context of its overall investment strategy and financial position.

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

The following are the company's remaining contractual maturities of financial liabilities. The contractual cash flow amounts are gross and undiscounted and therefore may differ from their carrying amount in the statement of financial position.

2026	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	140,001	48,150	-	188,151
Lease liabilities	40,800	163,200	166,600	370,600
Total non-derivatives	180,801	211,350	166,600	558,751

2025	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	117,230	-	-	117,230
Lease liabilities	38,120	152,479	3,177	193,776
Total non-derivatives	155,350	152,479	3,177	311,006

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 21. Key management personnel disclosures

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

Jason Donald Taylor	Andrew Raymond Johnston
Graham Stephen Dent	Kim Maree Anne Rootes
Carmen Elizabeth Cresswell	Anne Margaret Harvey
Laura Jane Richardson	Bronwyn Meadows Smith
Barry Gordon Pearn	Melinda Kaye Norton

Key management personnel compensation comprised the following:	2026 $	2025 $
Short-term employee benefits	20,995	24,000
Post-employment benefits	2,519	2,760
	23,514	26,760

Compensation of the company's key management personnel includes salaries and contributions to a post-employment defined contribution plan.

Note 22. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 21.

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

Terms and conditions of transactions with related parties
Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Transactions with related parties
The company sponsored, granted or donated to entities where a director or close family member is on the board/committee. The total amount was:2026 $6,969, 2025: $66,000.

The company received services from CB-Virtual Solutions, where a director is the CEO. The total amount was $19,933.

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 23. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Andrew Frewin Stewart, the auditor of the company:

	2026 $	2025 $
Audit services		
Audit or review of the financial statements	7,620	7,930
Other services		
General advisory services	3,475	3,130
Share registry services	7,965	6,736
	11,440	9,866
	19,060	17,796

Note 24. Reconciliation of profit after income tax to net cash provided by/(used in) operating activities

	2026 $	2025 $
Profit after income tax expense for the year	92,519	89,519
Adjustments for:		
Depreciation and amortisation	86,079	83,914
Lease liabilities interest	17,841	6,684
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(39,626)	40,666
Decrease in income tax refund due	638	4,097
Increase/(decrease) in trade and other payables	11,920	(225,932)
Increase in provision for income tax	717	1,121
Decrease in deferred tax liabilities	(7,552)	(4,678)
Increase in unwinding of discount on make-good provision	1,468	157
Net cash provided by/(used in) operating activities	164,004	(4,452)

Meander Valley Financial Services Limited
Notes to the financial statements
30 June 2026

Note 25. Earnings per share

	2026 $	2025 $
Profit after income tax	92,519	89,519
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	650,000	650,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	650,000	650,000
	Cents	**Cents**
Basic earnings per share	14.23	13.77
Diluted earnings per share	14.23	13.77

Accounting policy for earnings per share
Basic and diluted earnings per share is calculated by dividing the profit attributable to the owners of Meander Valley Financial Services Limited, by the weighted average number of ordinary shares outstanding during the

Note 26. Commitments

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

Note 27. Contingencies

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

Note 28. 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.

Director’s declaration

Meander Valley Financial Services Limited
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*.

On behalf of the directors



Jason Taylor
Chair

24 September 2026

Independent auditor's 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 Meander Valley Financial Services Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Meander Valley 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 Meander Valley Financial Services Limited, 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 policy information, 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.

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

Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained 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: 24 September 2026

Adrian Downing
Lead Auditor

Notes

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