

Annual Report 2025

Monbulk & District
Community Enterprises
Limited

Community Bank
Monbulk & District

ABN 76 146 945 959



Vision, strategy and values

Our Vision

Our vision is to inspire, connect and lead our communities for sustainable growth and a vibrant future for all.

Our Strategy

Our strategy is to focus on offering exceptional service, the number one bank of choice in the region and to share the benefits with our community.

Our Values

Ethical

We act with honesty, and we deliver on our commitments.

Responsive

We are flexible and positive, adapting to changes in our customers and community's needs.

Innovative

We look to continually improve on the success of our business. We encourage creative thinking, new ideas and better solutions for and from our team, customers and community to create a sustainable business.

Community

We are passionate about giving back to the community we live in. We strive to create opportunities for connection and participation within our community, building strength and resilience.

Shared Value

We feed into the prosperity of our community rather than off it, leaving a legacy by investing in and for future generations.

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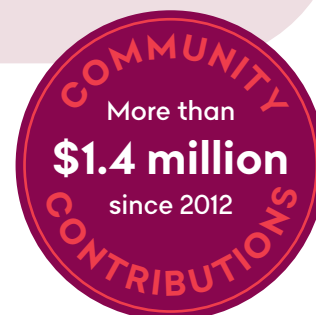
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We respectfully acknowledge the past and present traditional owners of this land,
The Wurundjeri people, their Ngurungaeta - Murrundindi, and their Elders.

We also acknowledge with respect the First Australian peoples as the Traditional
Custodians of this country and their continued connection to land, sea, and culture.

Our community

Community contributions 2024/25



Monbulk Fire & Rescue (CFA)
 Monbulk Junior Football Club
 Emerald Monbulk Wildlife Shelter
 Monbulk Rangers Soccer Club
 Monbulk Senior Football Netball Club
 Tribe Youth Monbulk
 Open Door Community Care Op Shop
 Monbulk College
 Kallista-The Patch Fire Brigade
 St Paul's Primary School
 Monbulk & District Men's Shed
 Open Door Community Care Food Pantry
 Monbulk Primary School
 Sherbrooke Lyrebird Study Group
 Monbulk Emergency Relief Fund (MERF)
 Monbulk Cricket Club
 The Patch Primary School
 CWA Monbulk
 1st Kallista Scouts

Monbulk Pony Club
 Monbulk Landcare
 MADCOW
 Monbulk Marlins Swimming Club
 1st Monbulk Scouts
 Monbulk Bowling Club
 Dandenong Ranges Music Council
 Mums of the Hills (MoTH's)
 Monbuk RSL Sub-Branch
 Monbulk Pre-school
 Rescue Logs
 Sylvan Glades Retirement Village
 Trek Learning Centre
 Monbulk Girl Guides
 Monbulk Christmas Decorations Group
 Kallista Village Inc
 Kindred Kindness
 Monbulk Historical Society

Monbulk Netball Club
 Monbulk Produce Market
 Rotary Club of Monbulk & District
 CWA Lady Nighthawks Monbulk
 Monbulk Table Tennis Club
 Monbulk Tennis Club
 Kallista Primary School



Local funds, local decisions, local investment, local impact.

Our community (continued)



Thank you for making good things happen.

Thanks to the support of our customers, shareholders, branch staff and volunteer company Board we have been able to grow into one of the biggest sources of community funding in Monbulk.

Community Bank Monbulk & District operates on a profit for purpose model, which means revenue generated by customers banking such as loans and deposits are reinvested back to the local community. This keeps money here in the local area via our Community Investment Funding Program.

Monbulk & District Community Enterprises Limited, the owner of the franchise for Community Bank Monbulk & District has been certified as a Social Traders Social Enterprise. This certification formally recognises the good we do in the community. We are part of a group of businesses that exist to create a fairer and more sustainable world. After returning over \$1.4 million of profits back into the local community, we are so proud of this recognition and look forward to supporting more community projects and initiatives for years to come.



Chairman's report

For year ending 30 June 2025



It is my pleasure and privilege as Chairman to present the company's annual report for the year ending 30 June 2025.

This year we have celebrated our 13th anniversary; a significant milestone having opened our doors for business on 7 February 2012.

The banking industry at large is changing how it services its customers with an ever-increasing focus on online banking. This has resulted in branch closures across Australia.

Community Bank Monbulk & District provides all online services and offers importantly, excellent face-to-face customer service.

The Board and our branch staff have an excellent understanding of our community and what its needs are. Increasing pressures on households in cost of living, expenses, mortgage rates and rising property values has seen a general paying down of debt and strong competition in the market. The Monbulk & District area enjoys a stable and strong horticulture and floriculture industry, providing excellent employment opportunities.

We have now invested over \$1.44 million into our community since we opened our doors. This is an impressive amount. Approximately 50 local organisations have benefited. We are pleased to report total business holding of over \$217 million.

Our Community Awards night is a much looked forward to event by our Board, staff and community representatives. There is a great pleasure in getting together with a large gathering of what I describe as 'the engine' of Monbulk and District, all making great things happen.

National community investment now stands at \$416 million, again an impressive amount underpinning the reason to bank with your local Bendigo Community Bank branch.

The full Board meets 11 times a year. All subcommittees meet regularly on an as needs basis. During the year there is a strong focus on governance, business development and community investment. I thank all my fellow Directors for their dedicated effort and enthusiasm in which they approach their Directors' responsibilities.

I thank all our customers and shareholders for their continued support and enabling us to grow our investment in our community.

Further opportunities beckon particularly in the aged care and affordable housing space so I encourage you to endorse our community bank to family and friends.

Leo Koelewyn
Chairman
Monbulk & District Community Enterprises Ltd

Retiring Director - Sarah Tebbutt

Sarah's time on the Board has been characterised by her enthusiasm for our progress as a profitable and community focused organisation. She has played an important role in supporting our growth, enabling investment in a range of impactful community initiatives that make a real difference to our town. The Board sincerely thanks Sarah for her valuable contributions and wishes her all the very best in her future endeavours

Branch Operations Manager's report

For year ending 30 June 2025



As the Branch Operations Manager, it is my privilege to present this report reflecting on our 14th financial year of service since Community Bank Monbulk & District first opened its doors.

Monbulk and District Community Enterprises Limited operate as a community-owned company, with a clear focus on supporting the growth and prosperity of our local area. We are proud to run under a profit-for-purpose model, which means that the revenue generated by the Community Bank — through lending and deposits — is not simply retained, but actively reinvested into the community.

These funds are channelled back into Monbulk and District through a range of initiatives, including sponsorships and grants. By supporting local organisations, programs and initiatives, we ensure that the benefits of our operations are felt widely throughout the community. Our shareholders also play an important role in this structure, participating through their investment and helping to drive the ongoing success of our community-focused approach.

As of 30 June 2025, our total business holdings were \$217,846,139, which represents a reduction in total footings of \$5,680,698.

This trend was influenced by several external factors, such as fluctuating interest rates, increased cost of living pressures, and a noticeable movement towards digital and non-traditional banking alternatives. Although there has been a decline, this trend aligns with broader market conditions and does not indicate reduced engagement from our community or customers.

Our loyal team continues to build strong relationships with our customers, taking pride in the level of customer service, they provide. They consistently go the extra mile to ensure that all banking needs are met, demonstrating their ongoing commitment to exceptional service and customer satisfaction.

This has resulted in our customer base growing to 4,095, which amounts to 167 new customers, or 4.3% growth for the year.

Supporting local organisations and initiatives continues to be a key priority, with funding allocated in the past financial year to projects including the installation of four additional community-accessible defibrillators available 24/7, ongoing weekly fruit and vegetable deliveries to the Open-Door Pantry and the Merry Monbulk Christmas Street Party.

The new ball stop netting systems at the Monbulk Recreation Reserve are another example of a successful grant request we supported. By matching the funding from the Shire of Yarra Ranges, we enabled installation at both ends of the oval, which has improved safety for players and spectators.

Since we opened our doors in 2012, we invested more than \$1.44 million into Monbulk & District, reflecting our ongoing commitment to the community.

We have further deepened our community impact with some exciting new initiatives being led and conducted by our Community Company Manager Aimee Te Boekhorst. Her tenacity and dedication in this full-time role are reflected in every relationship and interaction she has, whether it is with MP's, Council representatives, Board members or general members of our community, and we look forward to sharing her future successes.

Since our last AGM, we have had the pleasure of welcoming Sam and Shannon to our team in the roles of Customer Relationship Manager and Customer Service Officer, respectively. Alongside Ella and Hannah, they comprise our front-line staff, consistently providing exemplary support to our customers with professionalism and courtesy. We appreciate their commitment and contribution, which are valuable assets to our organisation.

Branch Operations Manager's report (continued)

We extend our sincere appreciation to our Directors for their valuable contributions as volunteers on our Board. Your unwavering commitment and forward-thinking leadership play a pivotal role in advancing our impact within the community.

We greatly appreciate the continued support, positive attitude, and guidance provided by our Regional Manager, Amey Duffy, as well as the operational assistance from all relevant departments throughout the Bendigo network.

In conclusion, I would like to express our sincere appreciation to all who consistently support the Monbulk and District Community. This ongoing support encourages our team to provide not only comprehensive banking services, but also meaningful engagement and commitment to the community.

Bec Turpin
Branch Operations Manager

Secretary's report

For year ending 30 June 2025



On the palette of community - service to the community is primal.

Our need to rapidly consume new things is a crucial factor in people disbanding this core critical aspect of life and empties our presence of the critical content. As the late French philosopher Baudrillard says "the more we consume the faster the process overtakes us, and we move backwards." Fashion becomes germane to our lives, and we discard the vital aspects of Community service. Even Cicero in a letter to Pliny the Elder warned of our fondness of novelty and problems it brought.

It is Monbulk & District Community Enterprises Limited's lot to regularly keep actions and a robustness in promoting community service. It has to be constantly in the present, constantly building a successful business and reinforcing to the community the value of community banking. Remarkably, Community Bank Monbulk & District is blessed with people who have a cornucopia of ideas and commitments and that is an such an enlightenment and joy. As a business we continue to build a new narrative through enterprise, commitment, and belief.

While it is in our nature to be restless and desirous achieving, there will be times when we are tired and unchallenged but remember, all great lives and enduring enterprises has stretches of inactivity. No achievement is possible without persistent work, so we need to use the down time for revitalisation and recovery and go outside to view your world.

In my moments of doubt, I remind myself that creating a highly performing organisation such as this was going to be hard when the group of wonderful people conceived the idea over fourteen years ago. They were setting out to do something extraordinarily ambitious: to provide a high-quality business so every community member and group regardless of how they are situated would benefit.

To have been part of journey has been a special and beautiful thing. I have marvelled at the success of Community Bank Monbulk & District's achievements. The little things that matter in a community life are the ones that impact the most, and Community Bank Monbulk & District provides and facilitates these to a remarkable degree.

Our Community Bank has always been brave in promoting enterprise, but it has endured its share of challenges.

Creative people have always broadened our horizons. What they seek is to understand more intimately, more intellectually the impact of community service and sharing the riches of the business on lives of people.

Connection is not just about being friends or a source of donations it is the knowledge of being all of those around us. We must free ourselves from the concerns of daily life and embrace a widening circle of compassion to embrace all things which make a community and do this with confidence.

"We are made for togetherness. We are made for community. We are made for a life of connection", so said Desmond Tutu. This is our mantra.

Community service gives meaning to life. It has a philosophical connection with a broad range of disciplines, and I still recall with utmost fondness and respect people such as the Directors and staff of this Community Bank. Continue to think richly and seek as best we can, actions and purposes that those who follow may thank us.

The cultural links we honour are our values and embracing our vision in a connection with authentic and ethical behaviour. The fact that Community Bank Monbulk & District is successful relates directly to its abilities to share knowledge and resources, create learning opportunities and connect with its community.

It is my hope that this legacy is embodied in the memory our Monbulk and Districts Community.

Ray Yates
Secretary

Finance report

For year ending 30 June 2025



I am pleased to present you with the finance report for the year ended 30 June 2025.

Despite the ongoing subdued economic environment, the strong customer support we enjoy, and the business holdings built over the last 13 years of operation has allowed Community Bank Monbulk & District to deliver another pleasing business performance and maintain a robust financial position.

The high level of support we enjoy from the Monbulk community is continuing and growing with customer numbers increasing 4.3% in the year and while total business holdings did fall \$5.7m, this was a reflection of a slow economy, cost of living pressures and customers paying down debt.

Despite the slight reduction in business holdings, our margins remained stable and revenue increased slightly to \$1,619,000. The subdued economic circumstances, pressure on household incomes has reduced lending opportunities and encouraged debt reduction. Despite this our revenue base has remained stable and is the result of the cumulative growth in business holdings that Community Bank Monbulk & District has achieved since inception and slightly higher margins.

The combination of our stable revenue, and our ongoing prudent management of operating costs, allowed Community Bank Monbulk & District to deliver a profit before community contributions and income tax of \$572,562, slightly lower than the prior year but very creditable.

With our solid earnings, we have been able to lift our community contributions again this year to \$310,695. In addition, we have contributed a further \$263,000 to the Community Enterprise Foundation which holds funds on our behalf for future local community grants for eligible purposes.

We reported a small loss before income tax expense of \$1,133 which is the combination of the good operating performance plus the increased contributions to the community and the Community Enterprise Foundation™.

Our stable earnings also allow us to maintain our strong returns to shareholders, and we have accordingly declared a fully franked dividend of 12 cents per share in respect of the 2025 financial year. This dividend will be paid on 20 November 2025.

It is pleasing to reflect on the success Community Bank Monbulk & District has had in building the relationship with our customers and the cumulative business holdings which collectively provide resilience in revenue and earnings. Consequently, we have been able increase our contribution to the local community and maintain returns to our shareholders.

We look forward to another successful year ahead.

Stephen McDonald
Director

Bendigo and Adelaide Bank report

For year ending 30 June 2025

This year marks another significant chapter in our shared journey, one defined by **adaptation, collaboration, and remarkable achievements**. I'm immensely proud of our collective progress and the unwavering commitment demonstrated by our combined networks.

We began 2025 with a renewed focus on **model evolution**, a top priority that guided our decisions and initiatives throughout the year. This involved navigating the Franchising Code and broader regulatory changes to the **Franchise Agreement**. Thanks to the network's proactive engagement and cooperation, we successfully reviewed the agreement, and the necessary changes were implemented smoothly.

Beyond the operational successes, I want to highlight the **invaluable contributions** our Community Banks continue to make to their local communities. The dedication and commitment to supporting local initiatives remain a cornerstone of our combined success and a source of immense pride for Bendigo Bank.

In FY25, more than \$50 million was invested in local communities, adding to a total of \$416 million since 1998. This funding enables community infrastructure development, strengthens the arts and culturally diverse communities, improving educational outcomes, and fosters healthy places for Australians to live and work.

On behalf of Bendigo Bank, thank you for being a shareholder in your local Community Bank. Your resilience, adaptability, and unwavering belief in our vision have been instrumental in our success. You are an integral part of the Bendigo Bank Community Banking family.

Your continued support is vital, and the results we've achieved together in 2025 underscore the continuing relevance and importance of the Community Bank model.

Justine Minne

Head of Community Banking, Bendigo Bank

Community Bank National Council report

For year ending 30 June 2025



A warm welcome to our existing and new shareholders. Thank you for your support and for sharing in our purpose. We're immensely proud of our Community Bank network which was a first mover in Australia in 1998 through our unique social enterprise model.

The principles of the Community Bank model are the same as they were when the first Community Bank opened its doors. The principles are centred on:

- Relationships based on goodwill, trust and respect
- Local ownership, local decision making, local investment
- Decisions which are commercially focussed and community spirited
- Shared effort reward and risk; and
- Decisions which have broad based benefits.

Today the network has grown to 303 Community Bank branches. We represent a diverse cross-section of Australia with more than 214 community enterprises, 70,000+ shareholders, 1,500+ volunteer Directors, 1,700 staff and 998,000 customers.

Our Community Bank National Council (CBNC) plays a pivotal role in the success story. The CBNC consists of both elected and appointed members from every state and territory sharing and reflecting the voice of the network. It's the role of the CBNC to initiate, lead and respond to strategic issues and opportunities that enhance the sustainability, resilience and prospects of the Community Bank model.

We utilise a range of forums to ensure the ongoing success of the network. Our State Connect events have been one of many network engagement activities that have enabled Bendigo Bank execs, staff, the CBNC and Directors to come together to share ideas, insights and ensure we are collaborating better together.

As consumer behaviours shift, and the environment in which we operate challenges the status quo, we embrace the opportunities that come with this new reality. We've already completed the mandatory changes to the Franchise Agreement with Bendigo Bank which were required by 1 April 2025.

The mandatory changes of the Franchise Agreement were in response to the Franchise Code of Conduct Review along with requirements from other external statutory and government bodies. This process which was led by Council in partnership with the Bank, was necessary to ensure our long-term sustainability. Council also sought legal advice on behalf of the network to ensure the changes were fair.

We also recognise the time is now to consider our model and how we combine the value of local presence with new digital capabilities that expand rather than diminish our community impact. This work forms part of the Model Evolution process which will be co-designed with Bendigo Bank and implemented over the next 12 months. Building further on our enhanced digital presence, community roots and measurable impact, we've reached another major milestone. We now have 41 Community Bank companies formally certified as social enterprises through Social Traders. It's a powerful endorsement of our commitment to delivering both commercial and social outcomes.

This recognition through Social Traders opens new opportunities for our network. It's paved the way for new partnerships with other enterprises in the sector that share our values and mission to build a better, stronger Australia.

Our increased engagement with the broader social enterprise sector has not only enabled us to diversify our partnerships; we've also deepened our impact. Over \$416 million and counting – that's how much has been reinvested back into local communities.

As we look to the future, we remain committed to the founding principles of the Community Bank model. Community is at the centre of everything we do, and our purpose remains clear: to create meaningful, lasting value for the communities we serve.

Community Bank National Council

Directors' report

30 June 2025

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

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:	Leonardus Josephus Cornelis Koelewyn
Title:	Non-executive director
Experience and expertise:	Past President Nursery and Garden Industry Victoria, past Vice President Monbulk Football and Netball Club, Past Director Monbulk Bowling Club. Served on Committees - Nursery industry including Finance, Quarantine, Trade Market Day, Garden State Advisory Council, Melbourne International Flower and Garden Show (MIFGS). Vice President National Nursery and Garden Industry. Chairman of Woori Yallock Streamflow Consultative Committee.
Special responsibilities:	Chairman & HR Committee.
Name:	Kellie Ann Clay
Title:	Non-executive director
Experience and expertise:	Kellie began working in public accounting in 1996 while completing her Bachelor of Business (Accounting). She began managing an office branch of Taxbiz Australia in 2004 and was offered partnership in 2009. In 2015 she founded Elysium Accounting with two business partners. In Kellie's 20 years of experience in public accounting she has gained a vast knowledge of many aspects of business, including taxation, accounting principles, business structures, audit, internal business practices & systems, and SMSF advice. She has gained experience in many different business industries.
Special responsibilities:	Finance Committee, HR Committee.
Name:	Raymond Leslie Yates
Title:	Non-executive director
Experience and expertise:	Shire Councillor for 21 years. Justice of the Peace. Freeman of the Shire of Lilydale, former President of Rotary and Paul Harris Fellow, life member of Japara Community House, life member of Lilydale Historical Society, trust member of Lilydale and Districts Museum, Citizen of the Year Yarra Ranges Shire, foundation member of the Upper Yarra Valley and Dandenong Ranges Planning Authority, inaugural member of the Australian Local Government Association, school Principal for over 28 years. Recipient of the Centenary Medal and National Service Medal. Professional development presenter and facilitator. Chairman of Dandenong Ranges Music Council. Chairperson of Japara Community House. Treasurer of Sylvan Glades Homes.
Special responsibilities:	Company Secretary, Governance Committee.
Name:	Stephen Michael McDonald
Title:	Non-executive director
Experience and expertise:	Stephen is a senior financial executive with broad experience in all aspects of financial management, corporate governance, and management of risk, ICT and supply chain functions in both private and publicly listed companies. In a career spanning 30 years in the accounting profession, Stephen has held a number of senior finance roles across a broad range of industries. Stephen is a member of CPA Australia and holds a Bachelor of Economics from Monash University. An active contributor to the local community, Stephen was a school councillor at The Patch primary school for 8 years and on the committee of The Patch Landcare Group. Stephen was also on the Monbulk Junior Football Club committee for 5 years and on the Advisory Board of Mount Lilydale Mercy College for 6 years.
Special responsibilities:	Finance Committee.

Directors' report (continued)

Name:	Jennifer Rae Nash
Title:	Non-executive director
Experience and expertise:	A long time resident of Monbulk, Jenni currently works for a local real estate office as a Property Consultant/Rest Estate agent. She has previously owned her own business in Monbulk and has managed other businesses including women's and children's fashion stores and wholesale florists. She is a past President of St Paul's Primary School Parents and Friends Assoc., where her three children attended school. Jenni also co-ordinated the fundraising for Monbulk Jnr football club for three years and is a past member of the Monbulk Business Network. Her passion for the Monbulk community is reflected in her role here at the Community Bank, and in her drive to promote the benefits of banking with Bendigo and how the bank supports the community. Jennifer currently volunteers at Monbulk Care Network Op Shop and Open Door Community Food Pantry.
Special responsibilities:	Chair Marketing & Sponsorship Committee.
Name:	Peter Herbert D'Abico
Title:	Non-executive director
Experience and expertise:	Former Agribusiness Banker with experience in financial management and strategic planning for agricultural enterprises. Currently own and manage a small business, providing practical experience in business operations, finance, and customer relations. Local resident actively involved in community initiatives, with a young family.
Special responsibilities:	Member of the Finance committee.
Name:	Sarah Melanie Tebbutt
Title:	Non-executive director
Experience and expertise:	Currently Sarah is managing the role of community development & engagement for a large property development firm. Sarah is also a Community Bank Mentor contracting to Bendigo Bank working with Community Banks around Australia as well as assisting with projects to support the network. Sarah works along side the Monbulk board supporting the administration of the company. Also Sarah has many years' experience in community groups and organisations and is currently working with the Community Enterprise Foundation, Bendigo Banks of the Yarra Ranges and Yarra Ranges Council on a new model of delivering community recovery and the chair of a Mountain Biking committee running a school program. Previously, Sarah has been awarded an Australia Day award for service to the community by the Yarra Ranges Council.
Special responsibilities:	Business Development Committee, HR Committee and Marketing & Sponsorship Committee.
Name:	Rita Hayworth Antoinette Hughes
Title:	Non-executive director
Experience and expertise:	Rita has 25 years of experience in marketing, fundraising, and events, with expertise spanning multiple industries, including software, manufacturing and recruitment. In the past eight years, she has dedicated her efforts to the not-for-profit charitable sector, focusing on independent charities and the healthcare space. Rita is committed to collaborating with community-based organisations, providing services that create tangible and meaningful impacts, including previously serving on sporting and community group committees. Currently, Rita works for a charitable organisation focused on the safety and wellbeing of road users, managing corporate and community partnerships, events and fundraising activities. The organisation provides free counselling for individuals impacted by road trauma and delivers educational programs designed to positively influence driving behaviours. A resident of the local area, Rita joined the Monbulk & District Community Enterprises Board to give back to her community.
Special responsibilities:	Member of Marketing Subcommittee & HR sub-committee.

Directors' report (continued)

Name:	Simon Richard Sparrow Yates
Title:	Non-executive director
Experience and expertise:	Simon is the Managing Director of Open Playscapes, where he leads a team of four in creating playgrounds for councils and schools. In addition to his role at Open Playscapes, Simon volunteers at Trek Learning Centre, serving as Program Coordinator to support disadvantaged youth. Simon also contributes as a voluntary Director and Secretary on the board at Trek. With a background as a stonemason, he possesses skills in furniture making, landscaping, and playground design, bringing a diverse expertise to his work.
Special responsibilities:	Nil.

Company secretary

The company secretary is Raymond Yates. Raymond was appointed to the position of company secretary on 24 November 2014.

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 loss for the company after providing for income tax amounted to \$1,433 (30 June 2024: profit of \$63,293).

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.

	2025 \$	2024 \$
Fully franked dividend of 12 cents per share (2024: nil cents)	102,121	-
Unfranked dividend of nil cents per share (2024: 12 cents)	-	102,121
	<u>102,121</u>	<u>102,121</u>

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Likely developments and expected results of operations

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 attended by each of the directors' of the company during the financial year were:

Directors' report (continued)

	Board Eligible	Board Attended
Leonardus Josephus Cornelis Koelewyn	11	9
Kellie Ann Clay	11	9
Raymond Leslie Yates	11	8
Stephen Michael McDonald	11	9
Jennifer Rae Nash	11	10
Peter Herbert D'Abico	11	9
Sarah Melanie Tebbutt	11	8
Rita Hayworth Antoinette Hughes	11	8
Simon Richard Sparrow Yates	11	7

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 23 to the financial statements.

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
Leonardus Josephus Cornelis Koelewyn	82,000	-	82,000
Kellie Ann Clay	-	-	-
Raymond Leslie Yates	10,000	-	10,000
Stephen Michael McDonald	-	-	-
Jennifer Rae Nash	500	-	500
Peter Herbert D'Abico	5,000	-	5,000
Sarah Melanie Tebbutt	4,000	-	4,000
Rita Hayworth Antoinette Hughes	-	-	-
Simon Richard Sparrow Yates	-	-	-

Shares under option

There were no unissued ordinary shares of the company under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of the company issued on the exercise of options during the year ended 30 June 2025 and up to the date of this report.

Indemnity and insurance of directors and officers

The company has indemnified all directors and the manager in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or manager 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*.

Directors' report (continued)

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 24 to the accounts.

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:

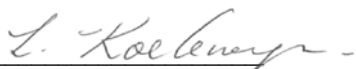
- all non-audit services have been reviewed by the board to ensure they do not impact on the impartiality, integrity and objectivity of the auditor
- the non-audit services do not undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional 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



Leonardus Josephus Cornelis Koelewyn
Chairman

28 October 2025

Auditor's independence declaration



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

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of Monbulk & District Community Enterprises Limited

As lead auditor for the audit of Monbulk & District Community Enterprises Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

- i) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- ii) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart', written in a cursive style.

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 28 October 2025

A handwritten signature in black ink, appearing to read 'Jessica Ritchie', written in a cursive style.

Jessica Ritchie
Lead Auditor

Financial statements

Monbulk & District Community Enterprises Limited Statement of profit or loss and other comprehensive income For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Revenue from contracts with customers	6	1,599,131	1,576,850
Finance revenue		19,783	17,192
Total revenue		<u>1,618,914</u>	<u>1,594,042</u>
Employee benefits expense	7	(784,423)	(718,326)
Advertising and marketing costs		(18,925)	(30,026)
Occupancy and associated costs		(24,557)	(23,689)
System costs		(34,002)	(30,577)
Depreciation and amortisation expense	7	(66,983)	(83,831)
Finance costs		(5,474)	(6,266)
General administration expenses		(111,988)	(102,875)
Total expenses before community contributions and income tax expense		<u>(1,046,352)</u>	<u>(995,590)</u>
Profit before community contributions and income tax expense		572,562	598,452
Charitable donations, sponsorships and grants expense	7	<u>(573,695)</u>	<u>(516,924)</u>
Profit/(loss) before income tax expense		(1,133)	81,528
Income tax expense	8	<u>(300)</u>	<u>(18,235)</u>
Profit/(loss) after income tax expense for the year		(1,433)	63,293
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>(1,433)</u></u>	<u><u>63,293</u></u>
		Cents	Cents
Basic earnings per share	26	(0.17)	7.44
Diluted earnings per share	26	(0.17)	7.44

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Financial statements (continued)

Monbulk & District Community Enterprises Limited Statement of financial position As at 30 June 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	9	331,806	526,393
Trade and other receivables	10	132,631	175,168
Investments	11	436,975	417,192
Current tax assets	8	38,753	-
Total current assets		<u>940,165</u>	<u>1,118,753</u>
Non-current assets			
Property, plant and equipment	12	139,989	132,359
Right-of-use assets	13	65,658	104,072
Intangible assets	14	20,549	33,527
Deferred tax assets	8	11,577	11,877
Total non-current assets		<u>237,773</u>	<u>281,835</u>
Total assets		<u>1,177,938</u>	<u>1,400,588</u>
Liabilities			
Current liabilities			
Trade and other payables	15	367,210	414,544
Lease liabilities	16	46,953	45,808
Current tax liabilities	8	-	3,822
Employee benefits	17	43,089	41,050
Total current liabilities		<u>457,252</u>	<u>505,224</u>
Non-current liabilities			
Trade and other payables	15	-	14,921
Lease liabilities	16	26,510	68,785
Employee benefits	17	4,625	19,480
Lease make good provision		23,247	22,320
Total non-current liabilities		<u>54,382</u>	<u>125,506</u>
Total liabilities		<u>511,634</u>	<u>630,730</u>
Net assets		<u>666,304</u>	<u>769,858</u>
Equity			
Issued capital	18	823,643	823,643
Accumulated losses		(157,339)	(53,785)
Total equity		<u>666,304</u>	<u>769,858</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Financial statements (continued)

Monbulk & District Community Enterprises Limited Statement of changes in equity For the year ended 30 June 2025

	Note	Issued capital \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023		823,643	(14,957)	808,686
Profit after income tax expense		-	63,293	63,293
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	63,293	63,293
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	20	-	(102,121)	(102,121)
Balance at 30 June 2024		<u>823,643</u>	<u>(53,785)</u>	<u>769,858</u>
 Balance at 1 July 2024		 823,643	 (53,785)	 769,858
Loss after income tax expense		-	(1,433)	(1,433)
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	(1,433)	(1,433)
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	20	-	(102,121)	(102,121)
Balance at 30 June 2025		<u>823,643</u>	<u>(157,339)</u>	<u>666,304</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Financial statements (continued)

Monbulk & District Community Enterprises Limited Statement of cash flows For the year ended 30 June 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,791,698	1,571,406
Payments to suppliers and employees (inclusive of GST)		(1,759,125)	(1,162,113)
Interest received		19,783	17,192
Interest and other finance costs paid		(755)	-
Income taxes paid		(42,576)	(126,899)
Net cash provided by operating activities	25	9,025	299,586
Cash flows from investing activities			
Payments for investments		(19,783)	(17,192)
Payments for property, plant and equipment		(20,976)	(4,504)
Payments for intangible assets		(13,565)	(13,565)
Net cash used in investing activities		(54,324)	(35,261)
Cash flows from financing activities			
Interest and other finance costs paid		(3,792)	(5,374)
Dividends paid	20	(102,121)	(102,121)
Repayment of lease liabilities		(43,375)	(40,309)
Net cash used in financing activities		(149,288)	(147,804)
Net increase/(decrease) in cash and cash equivalents		(194,587)	116,521
Cash and cash equivalents at the beginning of the financial year		526,393	409,872
Cash and cash equivalents at the end of the financial year	9	331,806	526,393

The above statement of cash flows should be read in conjunction with the accompanying notes

Notes to the financial statements

30 June 2025

Note 1. Reporting entity

The financial statements cover Monbulk & District Community Enterprises 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 70 Main Road, Monbulk VIC 3793.

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 28 October 2025. 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 2025. The company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Impairment of financial assets

The company recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. 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.

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.

Notes to the financial statements (continued)

Note 3. Material accounting policy information (continued)

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

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

Note 4. 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.

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.

Notes to the financial statements (continued)

Note 4. Critical accounting judgements, estimates and assumptions (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 to be 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 to be eligible for entitlement in accordance with legislation.

Lease make good provision

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

Notes to the financial statements (continued)

Note 5. Economic dependency

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in February 2027.

The company operates as a franchise of Bendigo Bank, using the name "Bendigo Bank" and the logo and system of operations of Bendigo Bank. The company manages the Community Bank on behalf of Bendigo Bank, however all transactions with customers conducted through the Community Bank are effectively conducted between the customers and Bendigo Bank.

All deposits are made with Bendigo Bank, and all personal and investment products are products of Bendigo Bank, with the company facilitating the provision of those products. All loans, leases or hire purchase transactions, issues of new credit or debit cards, temporary or bridging finance and any other transaction that involves creating a new debt, or increasing or changing the terms of an existing debt owed to Bendigo Bank, must be approved by Bendigo Bank. All credit transactions are made with Bendigo Bank, and all credit products are products of Bendigo Bank.

The company promotes and sells the products and services, but is not a party to the transaction.

The credit risk (i.e. the risk that a customer will not make repayments) is for Bendigo Bank to bear as long as the company has complied with the appropriate procedures and relevant obligations and has not exercised a discretion in granting or extending credit.

Bendigo Bank provides significant assistance in establishing and maintaining the Community Bank franchise operations. It also continues to provide ongoing management and operational support and other assistance and guidance in relation to all aspects of the franchise operation, including advice and assistance in relation to:

- the design, layout and fit out of the Community Bank premises
- training for the branch manager and other employees in banking, management systems and interface protocol
- methods and procedures for the sale of products and provision of services
- security and cash logistic controls
- calculation of company revenue and payment of many operating and administrative expenses
- the formulation and implementation of advertising and promotional programs
- sales techniques and proper customer relations
- providing payroll services.

Note 6. Revenue from contracts with customers

	2025 \$	2024 \$
Margin income	1,432,474	1,394,882
Fee income	86,506	86,942
Commission income	80,151	95,026
	<u>1,599,131</u>	<u>1,576,850</u>

Accounting policy for revenue from contracts with customers

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

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

Notes to the financial statements (continued)

Note 6. Revenue from contracts with customers (continued)

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

<u>Revenue stream</u>	<u>Includes</u>	<u>Performance obligation</u>	<u>Timing of recognition</u>
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, interest rates and funds transfer pricing and other factors, such as economic and local conditions.

Margin income

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

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

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

Commission income

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

Fee income

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

Core banking products

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

Ability to change financial return

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

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

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

Notes to the financial statements (continued)

Note 7. Expenses

Employee benefits expense

	2025 \$	2024 \$
Wages and salaries	650,824	590,552
Superannuation contributions	77,832	70,657
Expenses related to long service leave	(14,247)	(2,520)
Other expenses	70,014	59,637
	<u>784,423</u>	<u>718,326</u>

Depreciation and amortisation expense

	2025 \$	2024 \$
<i>Depreciation of non-current assets</i>		
Leasehold improvements	6,116	5,900
Plant and equipment	7,230	25,484
	<u>13,346</u>	<u>31,384</u>
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	40,659	39,360
<i>Amortisation of intangible assets</i>		
Franchise fee	2,163	3,424
Franchise renewal fee	10,815	9,663
	<u>12,978</u>	<u>13,087</u>
	<u>66,983</u>	<u>83,831</u>

Charitable donations, sponsorships and grants expense

	2025 \$	2024 \$
Direct donation, sponsorship and grant payments	323,695	201,134
Contribution to the Community Enterprise Foundation™	250,000	315,790
	<u>573,695</u>	<u>516,924</u>

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.

Notes to the financial statements (continued)

Note 8. Income tax

	2025 \$	2024 \$
<i>Income tax expense</i>		
Current tax	-	19,164
Under/over provision in respect to prior years	-	(2,170)
Movement in deferred tax	300	1,241
	<u>300</u>	<u>18,235</u>
Aggregate income tax expense	<u>300</u>	<u>18,235</u>
<i>Prima facie income tax reconciliation</i>		
Profit/(loss) before income tax expense	(1,133)	81,528
Tax at the statutory tax rate of 25%	(283)	20,382
Tax effect of:		
Non-deductible expenses	583	23
	<u>300</u>	<u>20,405</u>
Under/over provision in respect to prior years	-	(2,170)
Income tax expense	<u>300</u>	<u>18,235</u>
	2025 \$	2024 \$
<i>Deferred tax assets/(liabilities)</i>		
Employee benefits	18,710	21,914
Carried-forward tax losses	578	-
Provision for lease make good	5,812	5,580
Expense accruals	1,225	-
Lease liabilities	18,366	28,648
Right-of-use assets	(16,415)	(26,018)
Property, plant and equipment	(16,699)	(18,247)
Deferred tax asset	<u>11,577</u>	<u>11,877</u>
	2025 \$	2024 \$
Income tax refund due	<u>38,753</u>	<u>-</u>
	2025 \$	2024 \$
Provision for income tax	<u>-</u>	<u>3,822</u>

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.

Notes to the financial statements (continued)

Note 8. Income tax (continued)

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 9. Cash and cash equivalents

	2025 \$	2024 \$
Cash at bank and on hand	331,806	526,393

Note 10. Trade and other receivables

	2025 \$	2024 \$
Trade receivables	126,070	158,724
Other receivables and accruals	200	200
Prepayments	6,361	16,244
	6,561	16,444
	132,631	175,168

Accounting policy for trade and other receivables

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

Note 11. Investments

	2025 \$	2024 \$
<i>Current assets</i>		
Term deposits	436,975	417,192

Note 12. Property, plant and equipment

	2025 \$	2024 \$
Leasehold improvements - at cost	236,593	220,403
Less: Accumulated depreciation	(129,119)	(123,003)
	107,474	97,400
Plant and equipment - at cost	121,428	116,642
Less: Accumulated depreciation	(88,913)	(81,683)
	32,515	34,959
	139,989	132,359

Notes to the financial statements (continued)

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 \$	Total \$
Balance at 1 July 2023	103,300	55,939	159,239
Additions	-	4,504	4,504
Depreciation	(5,900)	(25,484)	(31,384)
Balance at 30 June 2024	97,400	34,959	132,359
Additions	16,190	4,786	20,976
Depreciation	(6,116)	(7,230)	(13,346)
Balance at 30 June 2025	<u>107,474</u>	<u>32,515</u>	<u>139,989</u>

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 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	4 to 40 years
Plant and equipment	1 to 40 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

	2025 \$	2024 \$
Land and buildings - right-of-use	291,097	288,852
Less: Accumulated depreciation	<u>(225,439)</u>	<u>(184,780)</u>
	<u>65,658</u>	<u>104,072</u>

Notes to the financial statements (continued)

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 2023	137,489
Remeasurement adjustments	5,943
Depreciation expense	(39,360)
Balance at 30 June 2024	104,072
Additions	2,245
Depreciation expense	(40,659)
Balance at 30 June 2025	65,658

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

	2025 \$	2024 \$
Franchise fee	32,007	32,007
Less: Accumulated amortisation	(28,582)	(26,419)
	3,425	5,588
Franchise renewal fee	110,036	110,036
Less: Accumulated amortisation	(92,912)	(82,097)
	17,124	27,939
	20,549	33,527

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 2023	9,012	37,602	46,614
Amortisation expense	(3,424)	(9,663)	(13,087)
Balance at 30 June 2024	5,588	27,939	33,527
Amortisation expense	(2,163)	(10,815)	(12,978)
Balance at 30 June 2025	3,425	17,124	20,549

Notes to the financial statements (continued)

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)	February 2027
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	February 2027

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

Note 15. Trade and other payables

	2025 \$	2024 \$
<i>Current liabilities</i>		
Trade payables	297,705	352,994
Other payables and accruals	69,505	61,550
	<u>367,210</u>	<u>414,544</u>
<i>Non-current liabilities</i>		
Other payables and accruals	-	14,921
	<u>-</u>	<u>14,921</u>
	2025 \$	2024 \$
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	367,210	429,465
less GST payable to the ATO included in other payables and accruals	(2,713)	(2,309)
	<u>364,497</u>	<u>427,156</u>

Accounting policy for trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

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

Notes to the financial statements (continued)

Note 16. Lease liabilities

	2025 \$	2024 \$
<i>Current liabilities</i>		
Land and buildings lease liabilities	<u>46,953</u>	<u>45,808</u>
<i>Non-current liabilities</i>		
Land and buildings lease liabilities	<u>26,510</u>	<u>68,785</u>
<i>Reconciliation of lease liabilities</i>		
	2025 \$	2024 \$
Opening balance	114,593	149,370
Remeasurement adjustments	2,245	5,532
Lease interest expense	3,792	5,374
Lease payments - total cash outflow	<u>(47,167)</u>	<u>(45,683)</u>
	<u>73,463</u>	<u>114,593</u>

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.

The company's lease portfolio includes:

Lease	Discount rate	Non-cancellable term	Renewal options available	Reasonably certain to exercise options	Lease term end date used in calculations
70 Main Road	4.79%	5 years	N/A	N/A	January 2027
68 Main Road	3.54%	5 years	N/A	N/A	January 2027

Note 17. Employee benefits

	2025 \$	2024 \$
<i>Current liabilities</i>		
Annual leave	37,329	31,992
Long service leave	<u>5,760</u>	<u>9,058</u>
	<u>43,089</u>	<u>41,050</u>
<i>Non-current liabilities</i>		
Long service leave	<u>4,625</u>	<u>19,480</u>

Notes to the financial statements (continued)

Note 17. Employee benefits (continued)

Accounting policy for 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 expensed when the leave is taken and is measured at the rates paid or payable.

Accounting policy for other long-term employee benefits

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

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

Note 18. Issued capital

	2025 Shares	2024 Shares	2025 \$	2024 \$
Ordinary shares - fully paid	851,010	851,010	851,010	851,010
Less: Equity raising costs	-	-	(27,367)	(27,367)
	<u>851,010</u>	<u>851,010</u>	<u>823,643</u>	<u>823,643</u>

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.

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.

Notes to the financial statements (continued)

Note 18. Issued capital (continued)

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 195. As at the date of this report, the company had 202 shareholders (2024: 204 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 19. 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.

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.

Notes to the financial statements (continued)

Note 20. Dividends

Dividends provided for and paid during the period

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.

	2025 \$	2024 \$
Fully franked dividend of 12 cents per share (2024: nil cents)	102,121	-
Unfranked dividend of nil cents per share (2024: 12 cents)	-	102,121
	<u>102,121</u>	<u>102,121</u>

Franking credits

	2025 \$	2024 \$
Franking account balance at the beginning of the financial year	126,899	-
Franking credits (debits) arising from income taxes paid (refunded)	42,576	126,899
Franking debits from the payment of franked distributions	(34,040)	-
	<u>135,435</u>	<u>126,899</u>

Franking transactions that will arise subsequent to the financial year end:

Balance at the end of the financial year	135,435	126,899
Franking credits (debits) that will arise from payment (refund) of income tax	(38,753)	3,822
Franking credits available for future reporting periods	<u>96,682</u>	<u>130,721</u>

Accounting policy for dividends

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

Note 21. 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.
- The company has no borrowings.

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

Notes to the financial statements (continued)

Note 21. Financial risk management (continued)

	2025 \$	2024 \$
Financial assets at amortised cost		
Trade and other receivables excluding prepayments (note 10)	126,270	158,924
Cash and cash equivalents (note 9)	331,806	526,393
Investments (note 11)	436,975	417,192
	<u>895,051</u>	<u>1,102,509</u>
Financial liabilities at amortised cost		
Trade and other payables (note 15)	364,497	427,156
Lease liabilities (note 16)	73,463	114,593
	<u>437,960</u>	<u>541,749</u>

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

Accounting policy for financial instruments

Financial assets

Classification

The company measures its financial assets at amortised cost.

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 measures its financial liabilities at amortised cost.

The company's financial liabilities measured at amortised cost comprise trade and other payables and lease liabilities.

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 \$331,806 and term deposits of \$436,975 at 30 June 2025 (2024: \$526,393 and \$417,192).

Price risk

The company is not exposed to equity securities price risk as it does not hold investments for sale or at fair value. The company is not exposed to commodity price risk.

Notes to the financial statements (continued)

Note 21. 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.

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.

	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2025				
Trade and other payables	364,497	-	-	364,497
Lease liabilities	47,847	27,911	-	75,758
Total non-derivatives	412,344	27,911	-	440,255
	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2024				
Trade and other payables	412,235	14,921	-	427,156
Lease liabilities	46,680	73,910	-	120,590
Total non-derivatives	458,915	88,831	-	547,746

Note 22. Key management personnel disclosures

The following persons were directors of Monbulk & District Community Enterprises Limited during the financial year and/or up to the date of signing of these Financial Statements.

Leonardus Josephus Cornelis Koelewyn
Kellie Ann Clay
Raymond Leslie Yates
Stephen Michael McDonald
Jennifer Rae Nash

Peter Herbert D'Abico
Sarah Melanie Tebbutt
Rita Hayworth Antoinette Hughes
Simon Richard Sparrow Yates

No director of the company receives remuneration for services as a company director or committee member.

There are no executives within the company whose remuneration is required to be disclosed.

Note 23. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 22.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Terms and conditions of transactions with related parties

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

Notes to the financial statements (continued)

Note 23. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	2025 \$	2024 \$
Sarah Tebbutt receives remuneration for bookkeeping, business development, business administration and support services provided to the Board.	21,350	26,250
The company provided sponsorships to Sylvan Glades, where Raymond Yates is the Treasurer. The total amount provided was:	195	220
The company engaged Elysium Accounting, of which Kellie Clay is a partner, for administrative services. The total amount paid was:	-	500
The company provided sponsorships to Trek Learning Centre, where Simon Yates' wife is the CEO. The total amount provided was:	30,872	21,668
The company made a sponsorship to a local business where a company director is the partner of board member. The total amount provided was:	1,885	-
The company provided donations to Dandenong Ranges Music Council where Raymond Yates is the chair. The total amount paid was:	260	-
The company provided donations to Open Door Church, of which Jennifer Nash is a board member. The total amount paid was:	6,795	-
The company provided donations to MADCOW Township Group, of which the Community Company Manager Aimee te Boekhorst is an employee. The total amount paid was:	63,335	-

Note 24. 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:

	2025 \$	2024 \$
<i>Audit services</i>		
Audit or review of the financial statements	7,930	6,500
<i>Other services</i>		
Taxation advice and tax compliance services	265	700
General advisory services	5,137	5,887
Share registry services	6,336	4,415
	11,738	11,002
	19,668	17,502

Notes to the financial statements (continued)

Note 25. Reconciliation of profit/(loss) after income tax to net cash provided by operating activities

	2025 \$	2024 \$
Profit/(loss) after income tax expense for the year	(1,433)	63,293
Adjustments for:		
Depreciation and amortisation	66,983	83,831
Lease liabilities interest	3,792	5,374
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	42,537	(10,079)
Increase in income tax refund due	(38,753)	-
Decrease in deferred tax assets	300	1,240
Increase/(decrease) in trade and other payables	(48,690)	293,267
Decrease in provision for income tax	(3,822)	(109,904)
Decrease in employee benefits	(12,816)	(28,440)
Increase in other provisions	927	1,004
Net cash provided by operating activities	<u>9,025</u>	<u>299,586</u>

Note 26. Earnings per share

	2025 \$	2024 \$
Profit/(loss) after income tax	<u>(1,433)</u>	<u>63,293</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>851,010</u>	<u>851,010</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>851,010</u>	<u>851,010</u>
	Cents	Cents
Basic earnings per share	(0.17)	7.44
Diluted earnings per share	(0.17)	7.44

Accounting policy for earnings per share

Basic and diluted earnings per share is calculated by dividing the profit attributable to the owners of Monbulk & District Community Enterprises Limited, by the weighted average number of ordinary shares outstanding during the financial year.

Note 27. Commitments

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

Note 28. Contingencies

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

Note 29. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Directors' declaration

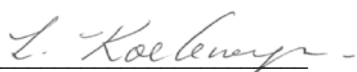
30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the directors



Leonardus Josephus Cornelis Koelewyn
Chairman

28 October 2025

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 Directors of Monbulk & District Community Enterprises Limited

Report on the audit of the financial report

Our opinion

In our opinion, the accompanying financial report of Monbulk & District Community Enterprises Limited, is in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the company's financial position as at 30 June 2025 and of its financial performance for the year ended 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 Monbulk & District Community Enterprises Limited (the company), which comprises the:

- Statement of financial position as at 30 June 2025
- Statement of profit or loss and other comprehensive income for the year then ended
- Statement of changes in equity for the year then ended
- Statement of cash flows for the year then ended
- Notes to the financial statements, including material accounting policies, and the
- Directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the company's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
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03 5443 0344

Independence

We are independent of the company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the financial report

The directors of the company are responsible for the preparation of the financial report that it gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 28 October 2025

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

Jessica Ritchie
Lead Auditor

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Web: bendigobank.com.au/monbulk

Franchisee: Monbulk & District Community Enterprises Limited
ABN: 76 146 945 959
70 Main Road, Monbulk VIC 3793
Email: communitybankmonbulk@gmail.com

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61 Bull Street, Bendigo VIC 3550
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