Annual Report 2026

Moorabool Community Enterprises Limited

Ballan & District

ABN 46 148 907 591

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ABN: 46 148 907 591
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Chair's report

In our 15th year of operation, on behalf of the Board of Moorabool Community Enterprises Limited (MCEL), I have great pleasure in presenting this year's Chairman's Report.

The 2025–26 financial year has been one of significant achievement, growth, and investment in our future. As we continue to strengthen our position as a community-owned bank, we remain focused on delivering value to our customers, shareholders, and the communities we proudly serve.

A major milestone for the year was the successful opening of our new branch premises in Inglis Street, Ballan, in November 2025. This modern and welcoming facility represents a significant investment in our future and demonstrates our confidence in the continued growth of both our business and our community. The new branch has been warmly received by customers and provides an improved banking experience while positioning us strongly for future growth. A special thank you goes to Robert Eskdale and Barry Sims for their tireless efforts in helping bring this project to completion, along with all board members who contributed their time, expertise, and commitment throughout the development and transition process.

This year after many years of dedicated service, Amanda resigned from her role as Branch Manager. On behalf of the Board, I would like to sincerely thank Amanda for her outstanding contribution to our business and community. Her leadership, commitment to customer service, community engagement, and team development played a significant role in the success and growth of our branch, and we wish her every success in the future. We were pleased to welcome Celina as our new Branch Manager. Since joining the team, Celina has brought enthusiasm, strong leadership, and a clear vision for the future of our business. Supported by our capable and dedicated staff, she has quickly established strong relationships with customers and community stakeholders and is already making a positive impact on the branch.

Our Business Development Manager, Blaz , continues to be an asset to the organisation, further expanding relationships across the region and identifying opportunities to grow our business. Alongside Celina, Blaz and the entire customer-facing team have continued to provide exceptional service and support to both new and existing customers.

Financially, I am pleased to report that we have continued to strengthen our business with a strong balance sheet, making a profit of $142561.00 after distributing over $229000.00 in community grants, sponsorships and scholarships. The success of our banking operations allows us to continue delivering meaningful support to local organisations, projects, and initiatives throughout the Moorabool region. These contributions continue to make a tangible difference to sporting clubs, schools, community centres, emergency services, recreation reserves, health services, and many other local initiatives that enhance the quality of life across our region.

We remain particularly proud of the role our organisation plays in creating broader economic benefits. Through our support of local community projects and investment in facilities such as our new branch, local contractors, suppliers, tradespeople, and businesses all share in the positive economic impact generated by our growth and success.

Our Board continues to provide strong leadership and governance. I would like to thank Vice Chairman Dominic Hanrahan, Treasurer Kellee Frazer, Company Secretary Michelle Baker, Leo Bruinier, Brayden Leonard, Robert Eskdale, Barry Sims, Mark Conroy, Mark Conlan and new director Julian Prendergast for their dedication, professionalism, and unwavering commitment to our business. Their contribution ensures that our business remains focused on delivering positive outcomes for our shareholders and community.

Every customer, every shareholder, and every dollar banked locally contributes to stronger and more vibrant communities. We encourage all of our shareholders, customers, and supported organisations to continue advocating for community banking and to encourage others to bank locally and support a model that reinvests profits back into the communities where they are generated.

Looking ahead, we are excited about the opportunities before us. With a modern branch, a strong leadership team, a committed Board, and a growing customer base, we are well positioned to continue expanding our impact and supporting projects that will help shape the future of our region.

On behalf of the entire Board of Moorabool Community Enterprises Ltd, I thank you for your continued trust, loyalty, and support. Together, we are not just banking; we are building stronger communities and a brighter future for Ballan and the broader Moorabool region.

Darren Rix
Chair



Manager's report

I am pleased to present Community Bank Ballan and District Manager's Report for the financial year ending 30 June 2026.

This year, our branch has delivered strong financial results while maintaining our unwavering commitment to serving our customers and supporting the local community.

We are incredibly proud to continue reinvesting our profits locally. Over the past twelve months, we have supported 5 scholarship recipients and 35 community groups through our community grants program, representing a total of $229,750. This contribution brings our cumulative community reinvestment to nearly $2.5 million since the inception of Community Bank Ballan and District—a remarkable milestone that demonstrates the true value of community banking.

Another major highlight of the year was moving into our new branch premises. This fresh, modern, and professional space has significantly enhanced the way we serve our customers. It stands as a physical testament to our permanent place in the Ballan community; we are truly here to stay.

This year also brought some staff changes as we bid a fond farewell to three valued staff members:

- Amanda, our wonderful former Branch Manager, who served Community Bank Ballan and District for 5 years and has transitioned into a Risk and Compliance role within Bendigo Bank.
- Olivia, who has decided to embark on a new chapter to study teaching after 4 years of dedicated service.
- Sharon, who has hung up her uniform to enjoy well-deserved retirement and travel the world after 3 years with us.

We extend our deepest gratitude to Amanda, Olivia, and Sharon for their hard work and dedication to Community Bank Ballan and District.

At Community Bank Ballan and District, we are here to support our customers through every chapter of their lives. I would like to extend my sincere thanks to our customers, whose ongoing loyalty directly enables the reinvestments that strengthen and enrich our local community.

Finally, as the incoming Branch Manager, I would like to thank the Board of Community Bank Ballan and District for their ongoing guidance and commitment. I also want to acknowledge our dedicated branch staff, whose exceptional hard work this year has driven our growth and enabled us to continue to make a difference in our community.

Celina Scott
Branch Manager



Making good things happen

2025-2026
$278,461
COMMUNITY CONTRIBUTIONS

Grants	Sponsorships	Scholarships	Donations
$199,708	$64,753	$14,000	$0

The 2025-2026 Financial year of Community Contributions included 40 community investments, assisting more than 978 volunteers.

Funding by location (Grants and Sponsorships)









Moorabool Community Enterprises Limited

Financial Report

ABN: 46 148 907 591

For the year ended
30 June 2026

Directors' Report

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

Information on 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:

Darren Patrick Rix

Chair, Community Engagement & Investment Committee, Strategic Planning Committee

Business Owner/Operator. Darren operates an AVIS car and truck rental franchise in Ballarat, Bendigo, Footscray and Western Victoria, Budget car and truck rental franchises in Ballarat and Bendigo. Darren has been in business for 29 years and the rental business for 25 years. He is on the Committee of the Bungaree Football Netball Club and is a Life Member. He is also a member of the Bungaree Recreation Reserve Committee of Management. He is on the local Economic Advisory Committee for the Economic Development & Activation Department of the Moorabool Shire and is the Vice Chair and Director of the Association of Avis Franchises Ltd.

Robert John Eskdale

Chair of Asset & Capital Management Committee, Strategic Planning Committee

Consultant Engineer and Town Planner. Robert is a Civil Engineer who has spent over 27 years in local Government including 13 years as Shire Engineer with the former Ballan Shire Council. For the last 27 years Robert has run his own local Engineering & Town Planning Consultancy; and is currently transitioning to retirement. Robert is a Director and Vice President of the Ballan Hospital Board and a member of the Ballan Jockey Club.

Brayden James Leonard

Member of Community Engagement & Investment Committee, Governance and Risk Committee and Strategic Planning Committee

Bachelor of Commerce (Accounting) from Federation University. Accountant at Mulcahy & Co Accounting 2017- 2021. Finance Manager at TB White & Sons Pty Ltd 2021 - current. CPA - 2023.

Dominic Gerard Hanrahan

Deputy Chair, Community Engagement & Investment Committee, Strategic Planning Committee

Born in Ballarat, Dominic has at lived Navigators for the past 25 years with his wife and children. He grew up nearby on a potato farm at Dunnstown and attended St Patrick's College in Ballarat. Dominic graduated from the University of Ballarat with a degree in Applied Science (Computer Science/Laboratory Instrumentation) in 1990.

Dominic is a farmer who grows pyrethrum on contract for Botanical Resources Australia. The pyrethrum is grown in a rotation with canola and wheat. Oats are grown for hay as well as ryegrass and clover pastures. Dominic breeds Angus cattle and fattens second cross lambs.

Dominic was previously in the Information Technology business for 30 years and has a background in cyber forensics mostly working for IBM Australia. Dominic most recently worked for The Ballarat Base Hospital as a Linux Systems Administrator.

Dominic was previously on the St Francis Xavier Primary School Board and is a member of the Mt Warrenheip CFA.

Barry Francis Sims

Asset & Capital Management Committee, Strategic Planning Committee

Retired. Barry has lived in the area for more than 40 years and has always supported local businesses. Barry was a local builder, Christmas tree farmer, holiday unit manager and now runs a storage shed business . He has retired, handing the reigns to the 3rd generation of builders. Barry is a former Committee member of the Ballan Football Netball Club and Mt Egerton Tennis Club. He is actively involved with and is a Committee member of the Ballan Golf Club.

Mark Francis Conroy

Member of Community Engagement & Investment Committee and Strategic Planning Commitee

Bachelor of Applied Science (Agriculture). Member of the Gordon Football Netball Club committee. Sales Director at Driscoll's Australia.

Directors' report (continued)

Kellee Ann Frazer

Member of Community Engagement & Investment Committee, Governance and Risk Committee and Strategic Planning Committee

Self employed. Kellee was born and raised in Ballarat and now lives in Gordon with her husband, Adam and three children. Adam and Kellee own and operate two small businesses, one of these is based in Melbourne and the other in Bacchus Marsh.

Kellee currently studies part time to obtain a Bachelor of Accounting. She has actively been a part of the Gordon community for the past 20 years, including committee of management positions for Gordon Playgroup, Wallace & District kindergarten, School Advisory Council and Parents and Friends St Patrick Primary Gordon. She has also been the Secretary, among many other positions at the Gordon Football & Netball Club Inc. for the past 9 years. She now looks forward to this opportunity to assist the Ballan & District Community Bank.

Mark Anthony Conlan

Member of Strategic Planning Commitee

Mark has completed a bachelor's in business and a master's in taxation. Currently Mark is the treasurer of Ballan FNC, Moorabool Landcare and Moorabool Wind Farm Advisory Group. He is a director for Nanloc Pty Ltd SMSF and has been a member of the CFA for 30 years. Prior roles include being the finance admin manager for Wesfarmers Northern Victoria, team leader and executive auditor for the ATO, and working for Elders Agribusiness in both branch manager and real estate positions.

Julian Prendergast

Non-executive director (appointed 24 September 2025)

Julian is a network trainer for Elders Rural Services, delivering training of specialised programs to Elders staff in SA, Victoria, the Riverina and Tasmania. He has been with Elders since 2013, after 27 years in the financial services industry (branch banking and financial planning). He holds a Diploma of Financial Planning and is currently Chair and Treasurer of Committee 4 Warrenheip Inc. and a member of the Warrenheip Memorial Hall Committee of Management.

Jodie Nichole Mullane

Member of Community Engagement & Investment Committee and Strategic Planning Commitee (resigned 3 September 2025)

Jodie works for St Brigid's Primary School as the administration officer and risk and compliance officer. She also works for the Ballan Football Netball Club in the secretary position.

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

Company Secretary

The company secretary is Michelle Louise Baker. Michelle was appointed to the position of company secretary on 23 June 2022.

Principal activity

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

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

Review of operations

The profit for the company after providing for income tax amounted to $143,108 (30 June 2025: $229,929).

Operations have continued to perform in line with expectations.

Dividends

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

	2026 $	2025 $
Fully franked dividend of 9 cents per share (2025: 9 cents)	67,690	67,690

Significant changes in state of affairs

During the reporting period the company completed a fit out of the new branch premises at 4/132 Inglis Street, Ballan. Operations began at the premise on 11 November 2025 following completion of the works.

There were no other 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 2026 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Meetings of directors

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

	Board		Community Engagement & Investment Committee		Governance & Risk Committee		Asset & Capital Management Committee		Strategic Planning Committee	
	E	A	E	A	E	A	E	A	E	A
Darren Patrick Rix	11	9	3	2	-	-	4	4	1	1
Robert John Eskdale	11	11	-	-	-	-	4	4	1	1
Dominic Gerard Hanrahan	11	11	3	3	-	-	-	-	1	1
Barry Francis Sims	11	9	-	-	-	-	4	4	1	1
Kellee Ann Frazer	11	8	3	2	2	2	-	-	1	1
Brayden James Leonard	11	9	3	3	-	-	-	-	1	1
Mark Francis Conroy	11	7	3	3	-	-	-	-	1	1
Mark Anthony Conlan	11	11	-	-	-	-	-	-	1	1
Julian Prendergast	8	8	2	2	-	-	-	-	-	-
Jodie Nichole Mullane	1	-	-	-	-	-	-	-	1	1

E = Eligible A = Attended

Eligible: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

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.

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.

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
Darren Patrick Rix	17,501	-	17,501
Robert John Eskdale	16,000	-	16,000
Dominic Gerard Hanrahan	32,835	-	32,835
Barry Francis Sims	35,000	-	35,000
Kellee Ann Frazer	3,000	-	3,000
Brayden James Leonard	1,500	-	1,500
Mark Francis Conroy	-	-	-
Mark Anthony Conlan	-	-	-
Julian Prendergast	-	-	-
Jodie Nichole Mullane	2,001	-	2,001

Shares under option

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

Shares issued on the exercise of options

There were no ordinary shares of the company issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

Indemnity and insurance of directors and officers

The company has indemnified all directors and management in respect of liabilities to other persons (other than the company or related body corporate) that may arise from their position as directors or management of the company except where the liability arises out of conduct involving the lack of good faith.

Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause of the contract of insurance.

Proceedings on behalf of the company

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

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

Indemnity and insurance of auditor

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

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

Non-audit services

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

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

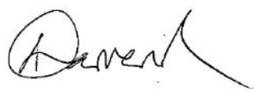
- all non-audit services have been reviewed by the board to ensure they do not impact on the impartiality, integrity and objectivity of the auditor
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional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

Auditor's independence declaration

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

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

On behalf of the directors



Darren Patrick Rix
Chair

Dated: 29 September 2026

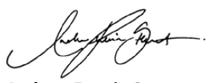
Auditor's independence declaration

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

Independent auditor's independence declaration under section 307C of the *Corporations Act 2001* to the members of Moorabool Community Enterprises Limited

As lead auditor for the audit of Moorabool Community Enterprises Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

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



Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 29 September 2026



Jessica Ritchie
Lead Auditor

Liability limited by a scheme approved under Professional Standards Legislation.

Financial statements

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2026

	Note	2026 $	2025 $
Revenue from contracts with customers	6	1,523,644	1,371,609
Other revenue		12,178	-
Finance revenue		2,504	982
Total revenue		1,538,326	1,372,591
Employee benefits expense	7	(752,860)	(677,010)
Advertising and marketing costs		(12,201)	(19,233)
Occupancy and associated costs		(59,714)	(52,952)
System costs		(44,816)	(36,704)
Depreciation and amortisation expense	7	(70,418)	(82,998)
Impairment of assets	7	(34,368)	-
General administration expenses		(137,820)	(125,112)
Finance costs	7	(4,580)	(1,092)
Total expenses before community contributions and income tax		(1,116,777)	(995,101)
Profit before community contributions and income tax expense		421,549	377,490
Charitable donations, sponsorships and grants expense		(229,750)	(70,333)
Profit before income tax expense		191,799	307,157
Income tax expense	8	(48,691)	(77,228)
Profit after income tax expense for the year		143,108	229,929
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		143,108	229,929
		Cents	**Cents**
Basic earnings per share	24	19.03	30.57
Diluted earnings per share	24	19.03	30.57

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

Financial statements (continued)

Statement of Financial Position

As at June 30 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	9	15,474	332,030
Trade and other receivables	10	178,831	135,980
Current tax assets	8	43,507	-
Non-current assets classified as held for sale	12	323,398	323,398
Total current assets		561,210	791,408
Non-current assets			
Property, plant and equipment	11	1,428,792	899,846
Intangible assets	13	4,326	17,304
Deferred tax assets	8	-	28,916
Total non-current assets		1,433,118	946,066
Total assets		1,994,328	1,737,474
Liabilities			
Current liabilities			
Trade and other payables	14	105,125	105,153
Borrowings	15	57,452	-
Current tax liabilities	8	-	75,611
Employee benefits		20,265	25,224
Lease make good provision		-	20,000
Total current liabilities		182,842	225,988
Non-current liabilities			
Borrowings	15	213,315	134
Deferred tax liabilities	8	18,283	-
Employee benefits		5,557	12,439
Total non-current liabilities		237,155	12,573
Total liabilities		419,997	238,561
Net assets		1,574,331	1,498,913
Equity			
Issued capital	16	690,987	690,987
Retained earnings		883,344	807,926
Total equity		1,574,331	1,498,913

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

Statement of Changes in Equity

For the year ended 30 June 2026

	Note	Issued capital $	Retained earnings $	Total equity $
Balance at 1 July 2024		690,987	645,687	1,336,674
Profit after income tax expense		-	229,929	229,929
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	229,929	229,929
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	18	-	(67,690)	(67,690)
Balance at 30 June 2025		690,987	807,926	1,498,913
Balance at 1 July 2025		690,987	807,926	1,498,913
Profit after income tax expense		-	143,108	143,108
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	143,108	143,108
Transactions with owners in their capacity as owners:				
Dividends provided for or paid	18	-	(67,690)	(67,690)
Balance at 30 June 2026		690,987	883,344	1,574,331

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

Statement of Cash Flows

For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,678,408	1,500,473
Payments to suppliers and employees (inclusive of GST)		(1,454,640)	(1,165,409)
Interest received		2,504	982
Interest and other finance costs paid		(4,580)	(97)
Income taxes paid		(120,610)	(33,166)
Net cash provided by operating activities	23	101,082	302,783
Cash flows from investing activities			
Payments for property, plant and equipment		(640,581)	(43,098)
Proceeds from disposal of property, plant and equipment		20,000	19,091
Net cash used in investing activities		(620,581)	(24,007)
Cash flows from financing activities			
Proceeds from borrowings		861,397	770,000
Repayment of borrowings		(590,764)	(770,020)
Interest and other finance costs paid		-	(282)
Dividends paid	18	(67,690)	(67,690)
Repayment of lease liabilities		-	(18,454)
Net cash provided by/(used in) financing activities		202,943	(86,446)
Net increase/(decrease) in cash and cash equivalents		(316,556)	192,330
Cash and cash equivalents at the beginning of the financial year		332,030	139,700
Cash and cash equivalents at the end of the financial year	9	15,474	332,030

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

Notes to the financial statements

For the year ended 30 June 2026

Note 1. Reporting entity

The financial statements cover Moorabool 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 Unit 4, 132 Inglis Street, BALLAN VIC 3342.

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 29 September 2026. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

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

Adoption of new and revised accounting standards
The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

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

Accounting standards issued but not yet effective
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the annual reporting period ended 30 June 2026. The company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below.

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

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

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

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

Notes to the Financial statements (continued)

For the year ended 30 June 2026

Note 3. Material accounting policy information (continued)

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.

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.

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

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.

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.

Note 5. Economic dependency

The company has entered into a franchise agreement with the Bendigo Bank, that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of revenue under the franchise agreement. The current term of the franchise agreement is scheduled to expire in November 2026 and includes a final five year renewal option. The directors have a reasonable expectation this option will be exercised, extending the franchise agreement to November 2031.

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.

Notes to the Financial statements (continued)

For the year ended 30 June 2026

Note 5. Economic dependency (continued)

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

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

Note 6. Revenue from contracts with customers

	2026 $	2025 $
Margin income	1,197,989	1,055,317
Fee income	85,401	88,935
Commission income	240,254	227,357
	1,523,644	1,371,609

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

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

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

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

All revenue is stated net of the amount of 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.

Note 6. Revenue from contracts with customers (continued)

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.

Note 7. Expenses

Employee benefits expense

	2026 $	2025 $
Wages and salaries	655,844	579,963
Non-cash benefits	8,115	8,400
Superannuation contributions	76,318	67,805
Expenses related to long service leave	(6,882)	(2,328)
Other expenses	19,465	23,170
	752,860	677,010

Note 7. Expenses (continued)

Depreciation and amortisation expense

	2026 $	2025 $
Depreciation of non-current assets		
Buildings	16,561	16,562
Leasehold improvements	-	20,547
Plant and equipment	5,650	2,603
Improvements	19,722	-
Motor vehicles	15,507	14,860
	57,440	54,572
Depreciation of right-of-use assets		
Leased land and buildings	-	15,448
Amortisation of intangible assets		
Franchise fee	2,163	2,163
Franchise renewal process fee	10,815	10,815
	12,978	12,978
	70,418	82,998

Impairment losses

	2026 $	2025 $
Land development	34,368	-

Finance costs

	2026 $	2025 $
Bank loan interest paid or accrued	4,580	97
Lease interest expense	-	282
Unwinding of make good provision	-	713
	4,580	1,092

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

Charitable donations, sponsorships and grants expense

	2026 $	2025 $
Direct donation, sponsorship and grant payments	129,750	70,333
Contribution to the Community Enterprise Foundation™	100,000	-
	229,750	70,333

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

Note 7. Expenses (continued)

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

Note 8. Income tax

	2026 $	2025 $
Income tax expense		
Current tax	1,492	90,610
Movement in deferred tax	47,199	(13,382)
Aggregate income tax expense	48,691	77,228
Prima facie income tax reconciliation		
Profit before income tax expense	191,799	307,157
Tax at the statutory tax rate of 25%	47,950	76,789
Tax effect of:		
Non-deductible expenses	741	439
Income tax expense	48,691	77,228

	2026 $	2025 $
Deferred tax assets/(liabilities)		
Property, plant and equipment	(25,603)	13,325
Employee benefits	6,456	9,416
Provision for lease make good	-	5,000
Accrued expenses	864	1,175
Deferred tax asset/(liability)	(18,283)	28,916

	2026 $	2025 $
Income tax refund due	43,507	-

	2026 $	2025 $
Provision for income tax	-	75,611

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.

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

	2026 $	2025 $
Cash at bank and on hand	15,474	332,030

Note 10. Trade and other receivables

	2026 $	2025 $
Trade receivables	135,014	123,559
Other receivables	38,818	2,249
Prepayments	4,999	10,172
	43,817	12,421
	178,831	135,980

	2026 $	2025 $
Financial assets at amortised cost classified as trade and other receivables		
Total trade and other receivables	178,831	135,980
Less prepayments, included in trade and other receivables	(4,999)	(10,172)
	173,832	125,808

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. Property, plant and equipment

	2026 $	2025 $
Land - at cost	175,000	175,000
Buildings - at cost	662,456	662,456
Less: Accumulated depreciation	(57,942)	(41,381)
	604,514	621,075
Improvements - at cost	612,441	-
Less: Accumulated depreciation	(19,722)	-
	592,719	-
Leasehold improvements - at cost	-	169,865
Less: Accumulated depreciation	-	(169,865)
	-	-
Plant and equipment - at cost	54,349	44,461
Less: Accumulated depreciation	(19,105)	(36,537)
	35,244	7,924
Motor vehicles - at cost	34,641	70,269
Less: Accumulated depreciation	(13,326)	(14,812)
	21,315	55,457
Works in progress - at cost	-	40,390
	1,428,792	899,846

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

	Land $	Buildings $	Leasehold improvements $	Plant and equipment $	Motor vehicles $	Works in progress $	Improvements $	Total $
Balance at 1 July 2024	175,000	637,637	20,547	10,527	59,181	31,933	-	934,825
Additions	-	-	-	-	34,641	8,457	-	43,098
Disposals	-	-	-	-	(23,505)	-	-	(23,505)
Depreciation	-	(16,562)	(20,547)	(2,603)	(14,860)	-	-	(54,572)
Balance at 30 June 2025	175,000	621,075	-	7,924	55,457	40,390	-	899,846
Additions	-	-	-	34,012	-	2,153	604,416	640,581
Disposals	-	-	-	(1,042)	(18,635)	-	-	(19,677)
Impairment losses	-	-	-	-	-	(34,518)	-	(34,518)
Transfers in/(out)	-	-	-	-	-	(8,025)	8,025	-
Depreciation	-	(16,561)	-	(5,650)	(15,507)	-	(19,722)	(57,440)
Balance at 30 June 2026	175,000	604,514	-	35,244	21,315	-	592,719	1,428,792

Note 11. Property, plant and equipment (continued)

Additions
During the financial half-year the company completed a fit out of the new branch premises at 4/132 Inglis Street, Ballan.

Impairment losses
During the financial year, the Board assessed the recoverability of capitalised development costs relating to the proposed development of the 114 Inglis Street property in accordance with *AASB 136 Impairment of Assets*. The assessment was triggered by the acquisition and occupation of an alternative branch location and the subsequent decision to market the Inglis Street property for sale, which indicated that the future economic benefits expected from the development project may no longer be realised. As a result, the Board determined that the carrying value of the capitalised development costs was not recoverable and recognised an impairment loss.

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	2 to 6 years
Plant and equipment	3 to 40 years
Motor vehicles	3 to 5 years
Buildings	40 years
Improvements	10 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. Land is not depreciated.

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 12. Non-current assets classified as held for sale

	2026 $	2025 $
Current assets		
Land	323,398	323,398

The company currently has the intention to sell the land at 114 Inglis Street, Ballan.

Note 13. Intangible assets

	2026 $	2025 $
Franchise fee	32,007	32,007
Less: Accumulated amortisation	(31,286)	(29,123)
	721	2,884
Franchise renewal fee	110,036	110,036
Less: Accumulated amortisation	(106,431)	(95,616)
	3,605	14,420
	4,326	17,304

Note 13. Intangible assets (continued)

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

	Franchise fee $	Franchise renewal fee $	Total $
Balance at 1 July 2024	5,047	25,235	30,282
Amortisation expense	(2,163)	(10,815)	(12,978)
Balance at 30 June 2025	2,884	14,420	17,304
Amortisation expense	(2,163)	(10,815)	(12,978)
Balance at 30 June 2026	721	3,605	4,326

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)	November 2026
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	November 2026

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

Note 14. Trade and other payables

	2026 $	2025 $
Current liabilities		
Trade payables	43,651	7,112
Other payables and accruals	61,474	98,041
	105,125	105,153

	2026 $	2025 $
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	105,125	105,153
less statutory payables, included in trade and other payables	(30,622)	(38,827)
	74,503	66,326

Note 15. Borrowings

	2026 $	2025 $
Current liabilities		
Bank loans	57,452	-
Non-current liabilities		
Bank loans	213,315	134
	270,767	134

Accounting policy for borrowings
During the period, the Company drew down a loan of $711,397 to fund a branch fit-out. As at 30 June 2026, the outstanding loan balance was $270,767. The loan has a remaining term of 70 months and bears interest at a rate of 8% per annum.

Note 16. Issued capital

	2026 Shares	2025 Shares	2026 $	2025 $
Ordinary shares - fully paid	752,110	752,110	752,110	752,110
Less: Equity raising costs	-	-	(23,517)	(23,517)
Less: Returned capital	-	-	(37,606)	(37,606)
	752,110	752,110	690,987	690,987

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).

Note 16. Issued capital (continued)

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

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

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

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

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").
- Where the person is a shareholder, after the transfer of shares in the company to that person the number of shareholders in the company is (or would be) lower than the base number (the "base number test"). The base number is 277. As at the date of this report, the company had 278 shareholders (2025: 282 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 17. 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.

Notes to the Financial statements (continued)
For the year ended 30 June 2026

Note 17. Capital management (continued)

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

Note 18. Dividends

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

	2026 $	2025 $
Fully franked dividend of 9 cents per share (2025: 9 cents)	67,690	67,690

Franking credits

	2026 $	2025 $
Franking account balance at the beginning of the financial year	265,724	255,121
Franking credits (debits) arising from income taxes paid (refunded)	120,610	33,166
Franking debits from the payment of franked distributions	(22,563)	(22,563)
	363,771	265,724
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	363,771	265,724
Franking credits (debits) that will arise from payment (refund) of income tax	(43,507)	75,611
Franking credits available for future reporting periods	320,264	341,335

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

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

Note 19. Financial risk management

The company's financial instruments include trade receivables and payables, cash and cash equivalents, and bank loans. 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.

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

Note 19. Financial risk management (continued)

	2026 $	2025 $
Financial assets at amortised cost		
Trade and other receivables excluding prepayments (note 10)	173,832	125,808
Cash and cash equivalents (note 9)	15,474	332,030
	189,306	457,838
Financial liabilities at amortised cost		
Trade and other payables (note 14)	74,503	66,326
Bank loans (note 15)	270,767	134
	345,270	66,460

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, and cash and cash equivalents.

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 bank loans.

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 $15,474 at 30 June 2026 (2025: $332,030).

Notes to the Financial statements (continued)

For the year ended 30 June 2026

Note 19. Financial risk management (continued)

As at the reporting date, the company had the following variable rate borrowings outstanding:

	2026		2025	
	Nominal interest rate %	Balance $	Nominal interest rate %	Balance $
Bank loans	8.00%	270,767	7.75%	134
Net exposure to cash flow interest rate risk		270,767		134

An analysis by remaining contractual maturities is shown in 'liquidity risk' below.

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.

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.

2026	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Bank loans	57,452	213,315	-	270,767
Trade and other payables	74,503	-	-	74,503
Total non-derivatives	131,955	213,315	-	345,270

2025	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Bank loans	134	-	-	134
Trade and other payables	66,326	-	-	66,326
Total non-derivatives	66,460	-	-	66,460

Note 20. Key management personnel disclosures

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

Darren Patrick Rix
Robert John Eskdale
Dominic Gerard Hanrahan
Barry Francis Sims
Kellee Ann Frazer
Brayden James Leonard
Mark Francis Conroy
Mark Anthony Conlan
Julian Prendergast
Jodie Nichole Mullane

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

Note 20. Key management personnel disclosures (continued)

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

Note 21. Related party transactions

Key management personnel
Disclosures relating to key management personnel are set out in note 20.

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

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

Transactions with related parties
The following transactions occurred with related parties:

	2026 $	2025 $
The company made sponsorships to community groups where company directors also are committee members.	84,846	32,693

Note 22. Remuneration of auditors

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

	2026 $	2025 $
Audit services		
Audit or review of the financial statements	7,962	6,750
Other services		
Taxation advice and tax compliance services	2,008	950
General advisory services	5,090	3,241
Share registry services	7,590	6,911
	14,688	11,102
	22,650	17,852

Note 23. Reconciliation of profit after income tax to net cash provided by operating activities

	2026 $	2025 $
Profit after income tax expense for the year	143,108	229,929
Adjustments for:		
Depreciation and amortisation	70,418	82,998
Impairment	34,518	-
Net loss/(gain) on disposal of non-current assets	(323)	4,414
Gain on disposal of make good	(20,000)	-
Lease liabilities interest	-	282
Change in operating assets and liabilities:		
Increase in trade and other receivables	(42,851)	(13,324)
Increase in income tax refund due	(43,507)	-
Decrease/(increase) in deferred tax assets	28,916	(13,383)
Decrease in trade and other payables	(28)	(57,150)
Increase/(decrease) in provision for income tax	(75,611)	57,445
Increase in deferred tax liabilities	18,283	-
Increase/(decrease) in employee benefits	(11,841)	10,860
Increase in other provisions	-	712
Net cash provided by operating activities	101,082	302,783

Note 24. Earnings per share

	2026 $	2025 $
Profit after income tax	143,108	229,929
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	752,110	752,110
Weighted average number of ordinary shares used in calculating diluted earnings per share	752,110	752,110
	Cents	**Cents**
Basic earnings per share	19.03	30.57
Diluted earnings per share	19.03	30.57

Note 25. Commitments

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

Note 26. Contingencies

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

Note 27. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

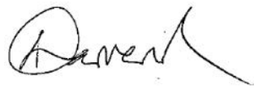
Directors' declaration

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in the notes to the financial statements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- the company does not have any controlled entities and is not required by the Accounting Standards to prepare consolidated financial statements. Therefore, a consolidated entity disclosure statement has not been included as section 295(3A)(a) of the *Corporations Act 2001* does not apply to the entity.

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

On behalf of the directors



Darren Patrick Rix
Chair

29 September 2026

Independent audit report

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

Independent auditor's report to the members of Moorabool Community Enterprises Limited Report on the audit of the financial report

Our opinion

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

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

What we have audited

We have audited the financial report of Moorabool Community Enterprises Limited, which comprises the:

- Statement of financial position as at 30 June 2026
- Statement of profit or loss and other comprehensive income for the year then ended
- Statement of changes in equity for the year then ended
- Statement of cash flows for the year then ended
- Notes to the financial statements, including material accounting policies, and the
- Directors' declaration.

Basis for opinion

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

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

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 2026 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.

Liability limited by a scheme approved under Professional Standards Legislation.

Independent audit report (continued)

Andrew Frewin Stewart
61 Bull Street Bendigo VIC 3550
ABN: 65 684 604 390
afs@afsbendigo.com.au
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 gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 29 September 2026

Jessica Ritchie
Lead Auditor

afsbendigo.com.au

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Bendigo Bank