Annual Report 2026









Mt Eliza Community Enterprise Limited

Community Bank Mt Eliza

ABN 18 139 499 326

Contents

Chairman's report	2
Branch Manager's report	3
Corporate governance statement	4
Directors' report	5
Auditor's independence declaration	11
Financial statements	12
Notes to the financial statements	16
Directors' declaration	39
Independent audit report	40

Chairman's report

For the year ending 30 June 2026

It's my pleasure to present the Mt Eliza Community Enterprise Limited Annual Report to shareholders for the 2025–26 financial year.

The company finished the year with a profit after tax of $434,759. On 30 June we had a net asset position of $2,362,916. We have seen strong financial growth and continued footings growth increase our business under management.

We will be declaring a fully franked dividend of 10-cents per share to be paid to our shareholders on 17 December 2026.

As of the end of June 2026, our tally of community contributions had reached $1.5 million to our community. It's something our shareholders, customers and community can be very proud of.

This financial year we made record contributions of $468,000. These were widely distributed, with 72 local organisations receiving funding from us to run their programs and serve local people. In addition, we invested $100,000 with the Community Enterprise Foundation to support future local projects.

In 2025–26 we initiated a Student Support Program to make a significant investment in the mental health, wellbeing and digital literacy of local students. Now 12 months into this three-year $250,000 investment plan, we've had nine participating local schools and are reaching hundreds of students with the help of two key partners: Inform & Empower and Speak & Share. It's helping our schools deliver valuable extra-curricular activities that build resilience and set students up for success in life.

Around 39% of our contributions went to sports and recreation—including our sponsorship of 36 community sports clubs. We're helping thousands of local people to stay healthy, active and connected through this support.

Read many more of the stories behind this year's work in our 2026 Community Impact Report.

On behalf of the board, I extend my thanks to Branch Manager, Fiona Parsons, and the branch team who have driven our results with their commitment and dedication this year. We have seen several staffing changes this year and I thank those staff who have left us and wish them well. Our new staff have settled in well and we are looking forward to seeing them continue to support our company's success.

I thank my fellow directors for their work this year. We are united in our pursuit of excellence in the company's operations and performance. Special thanks to my Deputy Chair James Batty and Company Secretary/Treasurer Robert Gauci—who both provide me with great support.

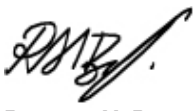
Of special note I want to acknowledge and thank Alex Godfrey who resigned from the Board late in the year. Alex has made an outstanding contribution to our company and the community. Whilst she will no longer be a director of the company, Alex will continue to play an essential role in our community engagement and marketing activities through our Engagement & Development Committee.

The board remains focused on the fundamentals of customers and community. We will continue running a high-performing branch that sets the standard for the network I while helping our customers and community to thrive.

We ask everyone in the community to choose Community Bank Mt Eliza for their banking, home loans, term deposits and insurance. Where else do you get such outstanding customer service and create such a big local impact with your banking?

Because of your support we are investing in and strengthening our community. I urge you to continue to refer your family, friends, and colleagues to Fiona and the team at Community Bank Mt Eliza.

I thank you for your support.



Reagan H. Barry
Chairman
reagan@mece.com.au

Branch Manager's report

For the year ending 30 June 2026

It is my pleasure to update you on progress at Community Bank Mt Eliza for 2025–26.

The branch ended the year with $330 million in funds under management (including $163 million in loans and $167 million in deposits). Over 3,200 local people now choose us for their banking, and we continue to see a steady growth in products per customer.

These results are not possible without the local people who choose Community Bank Mt Eliza and refer their family, friends and colleagues to us.

My thanks to our branch team who have dedicated themselves to our customers and focused on compliance and growth. It's my pleasure to work with you all.

During the year we had several staff changes including seeing a number of the team receive promotions within the Bendigo Bank network. We said farewell to Ebony, Georgi, Sean and Brooke. We've since welcomed Deanne, Soleil, Rocco and Renee. All settled-in well and have been impressing customers and our community partners with their service and dedication.

Our Mobile Relationship Manager, Sashene Wakefield, has continued to support our lending growth, helping local people get moving and find new or first homes. Our Customer Relationship Officer Thomas has recently stepped into a new role as Branch Operations Manager and will be running the branch day to day. I thank the team for all their work this year.

For our local families, there's never been a better time to review your home loan. A Bendigo Bank Home Loan Health Check is free—whether you are a customer or not. I encourage you to make an appointment, so we can have a good look at your current home loan set up, to check that it's still right for you.

I also acknowledge our board of directors who work tirelessly in helping to promote Bendigo Bank in the community. Reagan, James, Rob, Jo, Matt, Greg, Justin, Lorena and Alex, provide me with professional and personal support. Their governance and wisdom are greatly appreciated.

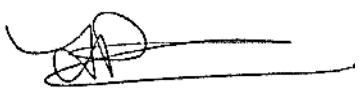
I'd also like to extend my thanks to our partners at Bendigo Bank—in particular the regional support team whose advice and support I always appreciate.

This year Bendigo Bank announced that the Community Bank branches have contributed $467 million to Australian communities—over $51.7 million in the FY26 year. We're feeding into community prosperity across Australia. Nowhere is that more evident than right here in Mt Eliza.

But it's not just the good your banking can do. Bendigo Bank delivers the products, technology and security you'd expect from a big bank, plus the personal service you wouldn't.

I thank all our community partners for referring business to the branch. This helps us support the sponsorships and contributions we make. Thank you to all the volunteers who work so hard to provide services, support and opportunities for local people.

The Community Bank Mt Eliza team and I look forward to the year ahead. We are dedicated to providing the outstanding customer service people are looking for from their bank, with the added value of our business model that shares profits with the community. It's all part of why Bendigo Bank is Australia's better big bank.



Fiona Parsons
Branch Manager
fiona.parsons@bendigoadelaide.com.au

Corporate governance

Our board is comprised entirely of non-executive independent volunteer directors. The skills, experience and composition of the board is detailed in the director's report. Details of the directors' shareholdings, their remuneration and any transactions which they have conducted with the company are included in the directors' report and notes to the financial statements.

The board has committed to a high standard of corporate governance, financial reporting and integrity in the company's operations.

The following committees, which meet informally on a regular basis, advise the board and facilitate all our activities:

- Audit, risk and governance
- People and culture
- Engagement and development, and
- Executive committee.

Independent professional advice

Directors have the right to seek independent professional advice (at the company's expense) to help them perform their duties.

The board engaged independent professional legal, accounting and audit services throughout the year.

Identifying and managing business risks

The board regularly monitors the operational and financial performance of the company against budget and other key performance measures. The board also receives advice on areas of operational and financial risks, and develops strategies in conjunction with management, to mitigate those risks.

The directors regularly undertake risk assessment analyses on the company's operations.

Committees have budget authorisation limits set by the board to facilitate day-to-day activities. Expenses above set amounts are subject to approval by the Chair.

The board and committees work closely with Bendigo Bank's support teams and regional manager to ensure our compliance with their policies, practices and guidelines. We actively engage in the training and capacity building opportunities provided by Bendigo Bank.

Communication with shareholders

The board of directors work to ensure that our shareholders, on behalf of whom we act, are informed of all major developments affecting the company's activities and its state of affairs. This includes information to assess director and board performance.

Information is communicated to shareholders through our:

- website: bendigobank.com.au/mt-eliza
- Annual Report
- Community Impact Report
- Annual General Meeting
- regular newsletters, and
- email communications.

Our vision

To be the bank of choice for Mt Eliza and a leader in our community.

Our mission

To work with Bendigo Bank and our staff to deliver exceptional banking services and to share the benefits with our stakeholders.

Directors' report

For the financial year ending 30 June 2026

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

Directors

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

Reagan Harrison Barry

Title: Chair

Experience and expertise: Finance Director

Reagan holds a Masters of Business (Banking and Finance), Bachelor of Commerce (Accounting) and is a member of the Australian Institute of Company Directors. Professionally, he works in the corporate sector as a Divisional CFO and has finance, strategy and risk responsibility for a national division within the telecommunications industry. Reagan is Mt Eliza born and bred and has actively been involved in a variety of organisations. He was elected to board in June 2013, elected Deputy Chair in November 2013 and Chair in April 2014. He is passionate about the Mt Eliza Community and keen to contribute to its growth and development.

Special responsibilities: Chair

Committees: Audit, Risk and Governance; Engagement and Development

James Craig Batty

Title: Non-executive director

Experience and expertise: General Manager, Event Logistic Group Pty Ltd

James was born and raised in Mt Eliza. He was educated at Peninsula Grammar and married with three sons. His company, Event Logistic Group (incorporating The Production Place & Coulson Party Hire), is a family owned and operated event company. The company specialises in event management, marquee & event hire and has been operating since 1965. James is passionate about the local community and the Mt Eliza Community Bank branch meeting its objectives.

Special responsibilities: Deputy Chair

Committees: Engagement and Development, People and Culture

Robert Charles Gauci

Title: Non-executive director

Rob holds a Bachelor of Business (Accounting), is a retired Chartered Accountant and Registered Tax Agent. He has had 35 years experience in business services. Rob is a former treasurer and life member of the Frankston Life Saving Club. Having grown up in Mt Eliza, Rob is also very passionate about helping the local community prosper and believes this is a great vehicle for helping achieve this.

Special responsibilities: Company Secretary and Treasurer

Committees: Audit, Risk and Governance

Alexandra Godfrey

(Resigned 28 April 2026)

Title: Non-executive director

Experience and expertise: Company Director, Fusebox Design/Fusebox Communications

Alex holds a Bachelor of Arts (Communications) from Charles Sturt University and an Advanced Diploma of Graphic Design from Canberra Institute of Technology. She is a communications, marketing and design professional and creative agency director. For over 26 years she has helped government and corporate clients with their communications, branding, marketing and publishing. She is an associate member of the Governance Institute of Australia and manages our local marketing, sponsorship and community engagement activities. Alex was elected to the board in May 2014 and represents us on Bendigo Bank's national marketing forum.

Special responsibilities: Chair, Engagement and Development Committee

Committees: Engagement and Development

Joanne Horton

Title: Non-executive director

Experience and expertise: Talent and Organisational Development Manager

Jo is a human resources professional who leads our people and culture strategy. Jo works professionally in the public sector, with over 20 years experience in both commercial and people and culture roles. Her passion lies in enabling people and organisations to be the best they can be, with a clear focus on what's possible. Her focus for our branch is customer service excellence, supporting the growth of our community. A Mt Eliza local since the early 2000s, Jo enjoys village life with her husband and Labrador.

Special responsibilities: Chair, People and Culture Committee

Committees: People and Culture

Matthew Keith Wilson

Title: Non-executive director

Experience and expertise: Senior Private Wealth Adviser and Company Director

Matthew is an experienced Investment Adviser and Stockbroker at one of Australia's leading Investment and Wealth Management Firms, Shaw and Partners. He holds a number of Finance related degrees, including a Bachelor of Business (Law) from Monash University; as well as a Graduate Diploma of Wealth Management from Deakin University. Having previously worked for Morgan Stanley and Citibank, he assists his private clients with the effective and efficient management of their financial investments and affairs. Matthew and his wife both have grown up in the Mt Eliza area and have three young sons. Matthew is active within the community and is delighted to contribute his skills, knowledge and experience to Mt Eliza Community Enterprise Ltd.

Committees: Audit, Risk and Governance; Engagement and Development Committees

Gregory John Russo

Title: Non-executive director

Experience and expertise: Lawyer

Greg holds a Bachelor of Science (Pure Mathematics) and a Bachelor of Law. He is a member of the Law Institute of Victoria, and a Principal of the firm Featherbys Barristers and Solicitors in Rosebud, and is a Law Institute of Victoria Accredited Specialist in Wills and Estates. Greg was born in Sydney and relocated to Melbourne as a teenager. He has lived and worked on the Mornington Peninsula and Frankston since 1994. He currently lives in Mount Eliza with his wife and son. Greg is committed to community development and has been involved, in a variety of capacities, with a number of professional and community organisations since 1994. He is passionate about the Mt Eliza community and keen to contribute to its growth and development.

Special responsibilities: Chair, Audit, Risk and Governance

Committees: Audit, Risk and Governance

Justin Andrew Holland

Title: Non-executive director

Experience and expertise: Financial Adviser

Justin holds a Bachelor of Finance and recently completed a Graduate Diploma in Financial Planning. He is a member of the Australian Institute of Company Directors, and works for Highview Wealth Solutions. Justin spent over 20 years working in the global markets division of various international banks, in London, New York and Singapore. He and his family recently returned to Australia and chose to live in the Mt Eliza area. Justin is eager to make a positive impact on the local community.

Committees: Audit, Risk and Governance

Lorena Prestia

(Appointed 12 May 2026)

Title: Non-executive director

Experience and expertise: Financial Adviser

Lorena holds a Bachelor of Business (Accounting) and is a member of the Institute of Chartered Accountants Australia and New Zealand. She is a Principal at Port Phillip Group, a well-established accounting firm based in Mount Eliza, where she provides accounting, taxation and advisory services to a diverse range of business and professional clients. Having grown up in the city, Lorena enjoys living on the Mornington Peninsula, particularly for its strong sense of community and close connection to nature.

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

Company secretary

The company secretary is Robert Charles Gauci. Robert was appointed to the position of company secretary on 30 June 2020.

Principal activities

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 $434,759 (30 June 2025: $371,271)..

Operations have continued to perform in line with expectations.

Dividends

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

	2026 $	2025 $
Fully franked dividend of 10 cents per share (2025: 10 cents)	80,711	80,711

Significant changes in the state of affairs

During the period, the company renewed its franchise agreement with bendigo Bank for a further five-year period expring in October 2030. The renewal has been recognised as an intangible asset for $59,983.

Matters subsequent to the end of the financial year

On 18 August 2026, APRA imposed licence conditions on Bendigo Bank relating to its non-financial risk management framework. Bendigo Bank subsequently announced a multi-year rectification program in response to those conditions.

Whilst neither APRA's announcement nor Bendigo Bank's public announcement specifically refer to Community Bank companies, the directors acknowledge that remediation and review activities may extend across Bendigo Bank's broader branch network, which may include Community Bank branches. At the date of this report, the outcome of those activities, and any resulting impacts on the company, if any, are not known and cannot presently be determined.

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

Likely developments

No matter, circumstance or likely development in operations has arisen during or since the end of the financial year that has significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company.

Environmental regulation

The company is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Meetings of directors

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

	Board meetings	
	Eligible	Attended
Reagan Barry	9	9
James Batty	9	9
Robert Gauci	9	9
Alexandra Godfrey (resigned 28/4/26)	7	5
Joanne Horton	9	8
Matthew Wilson	9	7
Gregory Russo	9	7
Justin Holland	9	9
Lorena Prestia	2	2

Directors' benefits

No director has received or become entitled to receive, during or since the end of the financial year, a benefit because of a contract made by the company, controlled entity ore related body corporate with a director, a firm which the director is a member or an entity in which a director has a substantial financial interest. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown int he company's accounts, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

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
	$	$	$
Reagan Barry	6,000	–	6,000
James Batty	1,000	–	1,000
Robert Gauci	1,000	–	1,000
Alexandra Godfrey (resigned 28/4/26)	1,000	–	1,000
Joanne Horton	–	–	–
Matthew Wilson	9,000	–	9,000
Gregory Russo	–	–	–
Justin Holland	–	–	–
Lorena Prestia	–	–	–

Shares under option

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 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*.

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 White) for audit and non audit services provided during the year are set out in note 27 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 the directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the directors



Reagan H. Barry
Chairman

30 October 2026

Ashfords Audit & Assurance Pty Ltd
ABN 52 138 965 241
Level 3, 148 Logis Boulevard, Dandenong South VIC 3175
PO Box 4525 Dandenong South VIC 3164
(03) 9551 2822
audit@ashfords.com.au

Mount Eliza Community Enterprise Limited
ABN 18 139 499 326

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Mt Eliza Community Enterprise Limited

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2026, there have been:

(i) no contraventions of the auditor independence requirements as set out in 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.

Ashfords Audit and Assurance

Ashfords Audit and Assurance Pty Ltd

Andrew White - CA
Director

30 October 2026

Level 3, 148 Logis Boulevard, Dandenong South, Vic. 3175

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CHARTERED ACCOUNTANTS AUSTRALIA + NEW ZEALAND

Financial statements

Statement of profit or loss and other comprehensive income

For the financial year ending 30 June 2026

	Note	2026 $	2025 $
Revenue from ordinary activities	6	2,030,935	1,805,545
Other revenue	7	174,988	196,269
Total revenue		**2,205,923**	**2,001,814**
Employee benefits expense	8	(825,347)	(785,512)
Occupancy and associated costs		(31,433)	(28,609)
Systems costs		(31,077)	(30,564)
Depreciation and amortisation expense	8	(116,325)	(122,721)
Finance costs	8	(34,188)	(36,103)
General administration expenses		(120,998)	(132,320)
Total expenses before community contributions and income tax		**(1,159,368)**	**(1,135,829)**
Profit before community contributions and income tax expense		**1,046,555**	**865,985**
Charitable donations, sponsorship, advertising and promotion	8	(487,396)	(408,997)
Profit before income tax expense		**559,159**	**456,988**
Income tax expense	9	(124,400)	(85,717)
Profit after income tax expense		**434,759**	**371,271**
Other comprehensive income for the year, net of tax		–	–
Total comprehensive income for the year		**434,759**	**371,271**
Earnings per share			¢
Basic earnings per share	29	53.87	46.00
Diluted earnings per share	29	53.87	46.00

The accompanying notes form part of these financial statements.

Statement of financial position

As at 30 June 2026

	Note	2026 $	2025 $
ASSETS			
Current assets			
Cash and cash equivalents	10	478,285	318,891
Trade and other receivables	11	204,797	177,481
Financial assets	13	337,025	327,074
Current tax assets	9	–	–
Total current assets		**1,020,107**	**823,446**
Non-current assets			
Property, plant and equipment	12	134,958	157,695
Financial assets	13	1,559,353	1,309,751
Right-of-use assets	14	734,828	815,569
Intangible assets	15	70,303	12,348
Deferred tax asset	9	59,245	53,795
Total non-current assets		**2,558,687**	**2,349,158**
Total assets		**3,578,794**	**3,172,604**
LIABILITIES			
Current liabilities			
Trade and other payables	16	91,935	102,247
Current tax liabilities	9	68,582	102
Lease liabilities	17	68,385	63,218
Employee benefits	18	78,760	72,149
Total current liabilities		**307,662**	**237,716**
Non-current liabilities			
Trade and other payables	16	63,342	–
Deferred tax liabilities	9	20,210	30,637
Lease liabilities	17	807,584	878,303
Provisions	19	17,080	17,080
Total non-current liabilities		**908,216**	**926,020**
Total liabilities		**1,215,878**	**1,163,736**
Net assets		**2,362,916**	**2,008,868**
EQUITY			
Issued capital	20	774,249	774,249
Accumulated profit	22	1,588,667	1,234,619
Total equity		**2,362,916**	**2,008,868**

The accompanying notes form part of these financial statements.

Statement of changes in equity

For the financial year ending 30 June 2026

	Notes	Issued capital $	Accumulated profit $	Total equity $
Balance at 1 July 2024		774,249	944,059	1,718,308
Total comprehensive income for the year		–	371,271	371,271
Transactions with owners in their capacity as owners				
Dividends provided for or paid	23	–	(80,711)	(80,711)
Balance at 30 June 2025		**774,249**	**1,234,619**	**2,008,868**
Balance at 1 July 2025		774,249	1,234,619	2,008,868
Total comprehensive income for the year		–	434,759	434,759
Transactions with owners in their capacity as owners				
Dividends provided for or paid	23	–	(80,711)	(80,711)
Balance at 30 June 2026		**774,249**	**1,588,667**	**2,362,916**

The accompanying notes form part of these financial statements.

Statement of cash flows

For the financial year ending 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers		2,011,640	1,818,235
Payments to suppliers and employees		(1,490,222)	(1,388,902)
Interest received		10,037	14,291
Interest paid		(587)	(188)
Dividends and other investment income		46,166	37,039
Lease payments (interest component)		(33,601)	(35,915)
Lease payments not included in the measurement of lease liabilities		(9,830)	(10,087)
Income taxes paid		(71,797)	(44,165)
Net cash provided by operating activities	28	**461,806**	**390,308**
Cash flows from investing activities			
Net (investment)/disposal of shares		(149,470)	(121,311)
Payments for intangible assets		(8,638)	(15,170)
Payments for property, plant and equipment		(124)	(4,910)
Net cash used in investing activities		**(158,232)**	**(141,391)**
Cash flows from financing activities			
Lease payments (principal component)		(63,069)	(57,939)
Dividends paid		(81,111)	(80,968)
Net cash used in financing activities		**(144,180)**	**(138,907)**
Net increase in cash held		**159,394**	**110,010**
Cash and cash equivalents at the beginning of the financial year		318,891	208,881
Cash and cash equivalents at the end of the financial year	10	**478,285**	**318,891**

The accompanying notes form part of these financial statements.

Notes to the financial statements

For the financial year ending 30 June 2026

Note 1. Reporting entity

The financial statements cover Mt Eliza Community Enterprise 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 102 Mount Eliza Way, Mount Eliza VIC 3930.

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 31 October 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 AASB that are mandatory for the current financial year. 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 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 new standard does not change how amounts are recognised or measured. However, it will change how information is presented and disclosed in the financial statements. This includes a revised structure for the statement of profit or loss and other comprehensive income, new subtotals, and additional disclosures for

certain performance measures.

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

Current and non-current classification

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

Investments

Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the company has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Impairment of financial assets

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

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

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

Impairment of non-financial assets

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

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

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

Note 4. Critical accounting judgements, estimates and assumptions

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

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

Judgements

Timing of revenue recognition associated with trail commission

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

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 14 business days post month end.
- The credit risk (i.e. the risk that a customer will not make repayments) is for Bendigo Bank to bear as long as the company has complied with the appropriate procedures and relevant obligations and has not exercised a discretion in granting or extending credit. The directors are not aware of any such non-compliance at balance date.
- The company has reviewed credit ratings provided by Standard & Poors, Moody's and Fitch Ratings to determine the level of credit exposure to the company.
- The company has not experienced any instances of default in relation to receivables owed to the company from Bendigo Bank.

Impairment of non-financial assets

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

Recovery of deferred tax assets

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

Note 4. 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 non-strategic 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.

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 revenue under the franchise agreement. The current term of the company's franchise agreement expires in October 2030.

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

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

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

	2026 $	2025 $

Note 5. Economic dependency (continued)

The credit risk (i.e. the risk that a customer will not make repayments) is for the relevant Bendigo Bank entity 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 ordinary activities

Margin income	1,845,182	1,655,737
Fee income	57,782	57,784
Commission income	127,971	92,024
Revenue from contracts with customers	**2,030,935**	**1,805,545**

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.

Note 6. Revenue from ordinary activities (continued)

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

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

Revenue calculation

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

Margin income

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

Fee income

Fee income is a share of what is commonly referred to as 'bank fees and charges' charged to customers by Bendigo Bank Group entities 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.

	2026 $	2025 $

Note 6. Revenue from ordinary activities (continued)

Ability to change financial return

Under the franchise agreement, Bendigo Bank may change the form and amount of financial return that 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 the time. For other products and services, there is no restriction on the change Bendigo Bank may take.

Note 7. Other revenue

Other revenue		
Dividend and distribution income	93,448	55,908
Changes in market value adjustment	71,406	113,585
Other income	10,134	26,776
Revenue from ordinary activities	**174,988**	**196,269**

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

Revenue stream	Revenue recognition policy
Other income	All other revenues that did not contain contracts with customers are recognised as goods and services are provided.

Note 8. Expenses

Depreciation and amortisation expense

Depreciation of non-current assets		
Plant and equipment	7,500	9,686
Leasehold improvements	15,360	20,573
	22,860	**30,259**
Depreciation of right-of-use assets		
Leased land and buildings	79,440	79,551
Amortisation of intangible assets		
Franchise fee	14,025	12,911
Total depreciation and amortisation expense	**116,325**	**122,721**

	2026 $	2025 $

Note 8. Expenses (continued)

Finance costs

Lease interest expense	33,601	35,915
Other interest expense	587	188
	34,188	**36,103**

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

Employee benefit expenses

Wages and salaries	708,031	701,662
Non-cash benefits	6,126	(3,433)
Superannuation contributions	82,454	79,732
Expenses related to long service leave	5,513	(20,446)
Other expenses	23,223	27,997
	825,347	**785,512**

Leases recognition exemption

Expenses relating to low-value leases	**9,830**	**10,087**

The company pays for the right to use information technology equipment. The underlying assets have been assessed as low value and exempted from recognition under AASB 16 accounting. Expenses relating to low-value exempt leases are included in system costs expenses.

Charitable donations, sponsorship, advertising and promotion

Direct sponsorship, advertising and promotion payments	**487,396**	**408,997**

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).

Note 9. Income tax

Income tax expense

Current tax	140,278	91,527
Movement in deferred tax	(15,878)	(5,810)
Aggregate income tax expense	**124,400**	**85,717**

	2026 $	2025 $

Note 9. Income tax (continued)

Prima facie income tax reconciliation

Profit before income tax expense	559,159	456,988
Tax at the statutory tax rate of 25%	139,790	114,247
Tax effect of:		
Non-assessable income	–	51
Non deductible expenses	36	37
Timing differences expenses	(15,426)	(28,618)
Income tax expense	**124,400**	**85,717**
Deferred tax asset attributable to:		
Employee provisions	19,690	18,037
Make-good provision	4,270	4,270
Lease liability	35,285	235,380
Right-of-Use assets	–	(203,892)
Deferred tax asset	**59,245**	**53,795**
Deferred tax liability attributable to:		
Income accruals	345	345
Expense accruals	2,011	1,896
Market value of investments	17,854	28,396
Deferred tax liabilities	**20,210**	**30,637**
Provision for income tax	**68,582**	**102**

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 for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Accounting policy for current tax

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

Accounting policy for deferred tax

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

	2026 $	2025 $

Note 10. Cash and cash equivalents

Cash at bank and on hand	379,686	260,117
Portfolio investment	98,599	58,774
	478,285	**318,891**

Note 11. Trade and other receivables

Current assets

Trade receivables	179,525	161,282
Prepayments	8,050	7,584
Other receivables and accruals	17,222	8,615
	204,797	**177,481**

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 12. Property, plant and equipment

Leasehold Improvements – at cost	223,003	223,003
Less: accumulated depreciation	(111,451)	(96,090)
	111,552	**126,913**
Plant and equipment – at cost	40,412	40,288
Less: accumulated depreciation and impairment	(25,880)	(21,338)
	14,532	**18,950**
Motor vehicles – at cost	37,968	37,968
Less: accumulated depreciation and impairment	(29,094)	(26,136)
	8,874	**11,832**
	134,958	**157,695**

	2026 $	2025 $

Note 12. Property, plant and equipment (continued)

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

	Leasehold improvements $	Plant and equipment $	Motor vehicles $	Total $
Balance at 1 July 2024	**142,576**	**24,692**	**15,776**	**183,044**
Additions	4,910	–	–	4,910
Disposals	–	–	–	–
Depreciation	(20,573)	(5,742)	(3,944)	(30,259)
Balance at 1 July 2025	**126,913**	**18,950**	**11,832**	**157,695**
Additions	–	124	–	124
Disposals	–	–	–	–
Depreciation	(15,361)	(4,542)	(2,958)	(22,861)
Balance at 30 June 2026	**111,552**	**14,532**	**8,874**	**134,958**

Accounting policy for property, plant and equipment

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

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

- Leasehold improvements – 15 to 20 years
- Plant and equipment – 5 years
- Furniture, fixtures and fittings – 2 to 5 years
- Computer equipment – 2 years
- Motor vehicle – 4 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets. An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

	2026 $	2025 $

Note 13. Financial assets

Current assets		
Term deposits	337,025	327,074
Non-current assets		
Portfolio Investment	1,242,466	1,196,166
Market value adjustment	316,887	113,585
	1,559,353	**1,309,751**

Reconciliation

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

Opening fair value	1,636,825	1,401,999
Additions	669,195	121,241
Disposals	(481,048)	–
Revaluation increments	71,406	113,585
Closing fair value	**1,896,378**	**1,636,825**

The company classifies financial assets as a current asset when it expects to realise the asset, or intends to sell or consume it, no more than 12 months after the reporting period. All other investments are classified as non-current.

Note 14. Right-of-use assets

Land and buildings – right of use	1,191,612	1,193,515
Less: Accumulated depreciation	(456,784)	(377,946)
	734,828	**815,569**

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

	Land and buildings $
Balance at 1 July 2024	**895,120**
Depreciation	(79,551)
Balance at 1 July 2025	**815,569**
Remeasurement of lease	(1,903)
Depreciation	(78,838)
Balance at 30 June 2026	**734,828**

	2026 $	2025 $

Note 14. Right-of-use assets (continued)

Accounting policy for right-of-use assets

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

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Refer to note 17 for more information on lease arrangements.

Note 15. Intangible assets

Franchise fee – at cost	136,535	64,555
Less: accumulated amortisation	(75,352)	(61,327)
	61,183	**3,228**
Redomicile fee	9,120	9,120
	70,303	**12,348**

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

	Franchise fee $	Redomicile fee $	Total $
Balance at 1 July 2024	**16,139**	**9,120**	**25,259**
Amortisation expense	(12,911)	–	(12,911)
Balance at 1 July 2025	**3,228**	**9,120**	**12,348**
Renewal	71,980	–	71,980
Amortisation expense	(14,025)	–	(14,025)
Balance at 30 June 2026	**61,183**	**9,120**	**70,303**

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. They are tested for impairment at each reporting period and whenever impairment indicators are present.

	2026 $	2025 $

Note 15. Intangible assets (continued)

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)	October 2030

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

Note 16. Trade other payables

Current liabilities		
Trade payables	6,235	14,248
Other payables and accruals	85,700	87,999
	91,935	**102,247**
Non-current liabilities		
Other payables and accruals	63,342	–
	155,277	**102,247**

Note 17. Lease liabilities

Current liabilities		
Land and buildings lease liabilities	99,570	96,906
Unexpired interest	(31,185)	(33,688)
	68,385	**63,218**
Non-current liabilities		
Land and buildings lease liabilities	943,737	1,046,096
Unexpired interest	(136,153)	(167,793)
	807,584	**878,303**
Reconciliation of lease liabilities		
Opening balance	941,521	999,464
Lease interest expense	33,601	35,915
Lease interest expense – total cash outflow	(99,153)	(93,858)
	875,969	**941,521**
Maturity analysis		
No later than 12 months	99,570	96,906
Between 12 months and 5 years	429,061	529,923
Greater than 5 years	514,676	516,173
	1,043,307	**1,143,002**

	2026 $	2025 $

Note 17. Lease liabilities (continued)

Accounting policy for lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially measured at the present value of the lease payments to be made over the term of the lease, including renewal options if the company is reasonably certain to exercise such options, discounted using the company's incremental borrowing rate.

The company has applied the following accounting policy choices in relation to lease liabilities:

- The company has elected not to separate lease and non-lease components when calculating the lease liability for property leases.
- The company has elected not to recognise right-of-use assets and lease liabilities for short-term leases and low-value assets, which include the company's lease of information technology equipment. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The company's lease portfolio includes:

Mt Eliza branch

The lease agreement commenced in October 2020 for a 5 year term. The company has 2 x 5 year renewal option available which for AASB 16: Leases purposes they are reasonably certain to exercise. As such, the lease term end date used in the calculation of the lease liability is October 2035. The discount rate used in calculations is 3.69%.

Note 18. Employee benefits

Current liabilities		
Annual leave	46,818	45,720
Long service leave	31,942	26,429
	78,760	**72,149**
Non-current liabilities		
Long service leave	–	–

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

	2026 $	2025 $

Note 18. Employee benefits (continued)

discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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

Note 19. Provisions

Lease make good	17,080	17,080

Lease make good

In accordance with the branch lease agreement, the company must restore the leased premises to the original condition before the expiry of the lease term. The company has estimated the provision to be $17,080 for the Mt Eliza Branch lease, based on experience and consideration of the expected future costs to remove all fittings as well as cost to remedy any damages caused during the removal process. The lease is due to expire on October 2035 at which time it is expected the face-value costs to restore the premises will fall due.

Accounting policy for provisions

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of a past event, it is probable the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Note 20. Issued capital

	2026 shares	2025 shares	2026 $	2025 $
Ordinary shares – fully paid	807,110	807,110	774,249	774,249

Accounting policy for issued capital

Ordinary shares are recognised at the fair value of the consideration received by the company. 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

Note 20. Issued capital (continued)

member and one vote for each other member that person represents as duly appointed attorney, corporate representative or proxy.

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

Dividends

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

Transfer

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

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

Prohibited shareholding interest

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

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

- They control or own 10% or more of the shares in the company (the '10% limit').
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the 'close connection test').
- Where the person is a shareholder, after the transfer of shares in the company to that person the number of shareholders in the company is (or would be) lower than the base number (the 'base number test'). The base number is 195. As at the date of this report, the company had 186 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 his or her associates) have a prohibited shareholding interest, 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.

	2026 $	2025 $

Note 21. Capital management

The board's policy is to maintain a strong capital base so as to sustain future development of the company. The board 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.

Note 22. Accumulated profits

Accumulated profits at the beginning of the financial year	1,234,619	944,059
Profit after income tax expense for the year	434,759	371,271
Dividends paid (Note 23)	(80,711)	(80,711)
Balance at the end of the financial year	**1,588,667**	**1,234,619**

Note 23. Dividends

Dividends provided for and paid during the period

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

Fully franked dividend of 10 cents per share (2025: 10 cents)	**80,711**	**80,711**
Franking credits		
Franking account balance at the beginning of the financial year	537,545	488,037
Franking credits (debits) arising from income taxes paid (refunded)	(10,677)	76,310
Franking account balance at the end of the financial year	526,868	564,347
Franking debits from the payment of franked distributions	(26,904)	(26,904)
	499,964	**537,443**

	2026 $	2025 $

Note 23. Dividends (continued)

Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	499,964	537,443
Franking credits (debits) that will arise from payment (refund) of income tax	57,988	102
Franking credits available for future reporting periods	557,952	537,545

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 in the financial year they are declared.

Note 24. 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 BBB+ 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.

Financial assets			
Trade and other receivables	11	204,797	177,481
Cash and cash equivalents	10	478,285	318,891
Financial assets	13	1,896,378	1,636,825
		2,579,460	**2,133,197**
Financial liabilities			
Trade and other payables	16	155,277	102,247
Lease liabilities	17	875,969	941,521
		1,031,246	**1,043,768**

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

Note 24. Financial risk management (continued)

Accounting policy for financial instruments

Financial assets

Classification

The company classifies its financial assets into the following categories:

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

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

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

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

Derecognition

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

Impairment of trade and other receivables

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

Financial liabilities

Classification

The company classifies its financial liabilities at amortised cost.

Derecognition

A financial liability is derecognised 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 $478,285 and investments of $1,559,353 at 30 June 2026 (2025: $318,891 and $1,309,751).

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.

	2026 $	2025 $

Note 24. Financial risk management (continued)

The following are the 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 $
2026 Non-derivatives				
Trade and other payables	91,935	63,342	–	155,277
Lease liabilities	68,385	332,671	405,570	875,969
Total non-derivatives	**160,320**	**465,356**	**405,570**	**1,031,246**
2025 Non-derivatives				
Trade and other payables	102,247	–	–	102,247
Lease liabilities	63,218	402,014	476,289	941,521
Total non-derivatives	**165,465**	**402,014**	**476,289**	**1,043,768**

Note 25. Key management personnel disclosures

The following persons were directors of Mount Eliza Community Enterprise Limited during the financial year.

Reagan Harrison Barry
Robert Charles Gauci
Joanne Horton
Gregory Russo
James Craig Batty
Alexandra Godfrey (resigned 28 April 2026)
Matthew Wilson
Justin Holland
Lorena Prestia (Appointed 12 May 2026)

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 26. Related party transactions

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

Note 27. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Ashfords Accountants and Advisory, the auditor of the company:

Audit and review services		
Audit and review of financial statements	13,191	12,300
	13,191	**12,300**

	2026 $	2025 $

Note 28. Reconciliation of profit after income tax to net cash provided by operating activities

Profit after income tax expense for the year	**434,759**	**371,271**
Adjustments for:		
Depreciation and amortisation	116,325	122,721
Lease liabilities interest	33,601	35,915
(Increase) in fair value of equity instruments	(110,083)	(113,516)
Income reinvested in financial assets	(37,004)	(4,647)
Changes in operating assets and liabilities		
(Increase) Decrease in trade and other receivables	(18,243)	(18,734)
(Increase) Decrease in other assets	(9,074)	214
Increase in trade and other payables	(7,689)	10,678
Increase/(decrease) in employee benefits	6,611	(23,879)
Increase/(decrease) in tax liabilities	52,603	10,285
Net cash provided by operating activities	**461,806**	**390,308**

Note 29. Earnings per share

Based and diluted earnings per share		
Profit after income tax	434,759	371,271
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	807,100	807,100
Weighted average number of ordinary shares used in calculating diluted earnings per share	807,100	807,100
	¢	¢
Basic earnings per share	53.87	46.00
Diluted earnings per share	53.87	46.00

Note 30. Commitments

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

Note 31. Contingencies

There were no contingent liabilities or contingent assets at the date of this report to affect the financial statements.

Note 32. 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; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

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



Reagan H. Barry
Chairman

30 October 2026

ASHFORDS
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Independent Audit Report to the members of Mount Eliza Community Enterprise Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Mount Eliza Community Enterprise Limited (the Company), which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of 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; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Responsibilities of 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 gives a true and fair view and 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 to cease operations, or have no realistic alternative but to do so.

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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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

  However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Ashfords Audit and Assurance

Ashfords Audit and Assurance Pty Ltd



Andrew White - CA
Director

30 October 2026

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Bendigo Bank

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