

North Central Financial Services Limited

ABN 90 104 265 394

Financial Report - 30 June 2026

North Central Financial Services Limited

Directors' report

30 June 2026

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

Directors

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

Name:	Winifred Maude Scott
Title:	Non-executive director
Experience and expertise:	Winifred holds a Bachelor of Arts, Diploma in Education and Doctor of Education (honorary). Winifred was a CEO, and has held a strategic planning, management, marketing, financial management, and human resource oversight board positions in Mildura, Charlton and formerly State Government. Winifred is a Board member for Charlton Courthouse Gallery, Deputy Chair NCLLEN, Secretary of the Charlton Neighbourhood House and volunteer at the Rex Theatre. Winifred is proprietor of Charlton Vintage.
Special responsibilities:	Chair, Strategic Planning Committee
Name:	Matthew Simon Peck
Title:	Non-executive director
Experience and expertise:	Matthew is a School Teacher.
Special responsibilities:	Audit Committee and Finance Committee
Name:	Matthew William McGurk
Title:	Non-executive director
Experience and expertise:	Matthew works as a Farmer and Agronomist.
Special responsibilities:	Nil
Name:	Neville Spruhan-Cloak
Title:	Non-executive director
Experience and expertise:	Neville is a Café Owner. He is a Project Implementation Manager for Australia Post Transport Operations Support Manager and a Director at Boola Pty Ltd.
Special responsibilities:	Sponsorship, Policy and Governance Committee
Name:	Elizabeth Anne Riley
Title:	Non-executive director
Experience and expertise:	Elizabeth holds a Bachelor of Accounting with eight years part time employment at a local accounting firm. She was also the finance officer for Charlton Neighbourhood House for three years and is currently Treasurer. Currently working in Administration at Charlton College. Elizabeth is currently a Committee and Executive member of numerous sporting and community groups in Charlton.
Special responsibilities:	Marketing sub-committee
Name:	Kerrie Louise Soulsby
Title:	Non-executive director
Experience and expertise:	Kerrie has a diploma in Business & Hospitality/Tourism. Kerrie is a committee member of Charlton Neighbourhood House and is currently a judge for the Victorian Tourism Industry Council awards.
Special responsibilities:	Secretary and Marketing sub-committee.
Name:	Dale Trevor Watts
Title:	Non-executive director
Experience and expertise:	Managing a farming enterprise in the Charlton District. Bachelor of Veterinary Science. Former Secretary of the Charlton Rotary Club. Secretary of Coonooer Bridge Hall Committee. Woolclasser. Veterinary Surgeon.
Special responsibilities:	Nil.

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Name: Margaret Therese McGrath
Title: Non-executive director
Experience and expertise: Member of Charlton Community Gym, Golden Grains Museum, Secretary of Charlton & Regional St Vincent de-Paul Society.

Name: Rebecca Postlethwaite
Title: Non-executive director
Experience and expertise: Rebecca has a Bachelor of Biomedical Sciences and a Diploma of Languages (Spanish), she currently works for the Victorian State Government. She has previously worked for the Buloke Shire Council and the Charlton Neighbourhood House and is a committee member for the Donald Squash Club.

Name: Luke Whykes
Title: Non-executive director (*appointed 16 March 2026*)
Experience and expertise: Bachelor of Commerce (Accounting) with Distinction and member of the Golden Key International Honour Society. Associate at large regional private practice accounting firm with 18 years experience. Leadership roles at numerous community sporting clubs.

Name: Victoria Gentle
Title: Non-executive director (*resigned 27 January 2026*)
Experience and expertise: With a Bachelor in Psychology, Victoria brings a diverse background in small business ownership, community development and suicide prevention. Victoria currently serves as a secretary of the local community and volunteer with Lifeline.

Company secretary

The company secretary is Kerrie Louise Soulsby. Kerrie was appointed to the position of company secretary on 1 January 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 \$12,567 (2025: loss of \$3,157).

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 6 cents per share (2025: 7 cents)	24,447	28,522

Significant changes in the state of affairs

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

Matters subsequent to the end of the financial year

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 BEN'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.

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

Likely developments

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

Environmental regulation

The company is not subject to any significant environmental regulation 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 Eligible	Attended
Winifred Maude Scott	13	13
Matthew Simon Peck	13	13
Matthew William McGurk	13	10
Neville Spruhan-Cloak	13	11
Elizabeth Anne Riley	13	11
Kerrie Louise Soulsby	13	13
Dale Trevor Watts	13	8
Margaret Therese McGrath	13	10
Rebecca Postlethwaite	13	12
Luke Whykes	4	4
Victoria Gentle	8	3

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
Winifred Maude Scott	-	-	-
Matthew Simon Peck	3,201	-	3,201
Matthew William McGurk	-	-	-
Neville Spruhan-Cloak	-	-	-
Elizabeth Anne Riley	-	-	-
Kerrie Louise Soulsby	-	-	-
Dale Trevor Watts	1,000	-	1,000
Victoria Gentle	-	-	-
Margaret Therese McGrath	-	-	-
Rebecca Postlethwaite	-	-	-
Luke Whykes	-	-	-

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.

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Directors' report
30 June 2026

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:

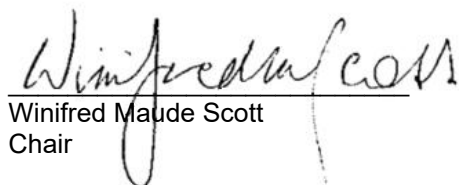
- all non-audit services have been reviewed by the board to ensure they do not impact on the impartiality, integrity and objectivity of the auditor
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional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



Winifred Maude Scott
Chair

28 September 2026



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

Auditor's independence declaration under section 307C of the *Corporations Act 2001* to the Directors of North Central Financial Services Limited

As lead auditor for the audit of North Central Financial Services Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

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

A handwritten signature in black ink, appearing to read 'Andrew Frewin Stewart', is positioned above the printed name.

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

A handwritten signature in black ink, appearing to read 'Adrian Downing', is positioned above the printed name.

Adrian Downing
Lead Auditor

North Central Financial Services Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

	Note	2026 \$	2025 \$
Revenue from contracts with customers	6	1,185,927	1,176,221
Finance revenue		20,992	20,763
Total revenue		<u>1,206,919</u>	<u>1,196,984</u>
Employee benefits expense	7	(357,232)	(402,253)
Advertising and marketing costs		(10,212)	(6,518)
Occupancy and associated costs		(17,416)	(16,151)
System costs		(17,905)	(18,356)
Depreciation and amortisation expense	7	(38,655)	(38,989)
Finance costs	7	(4,938)	(6,171)
General administration expenses		(123,521)	(168,331)
Total expenses before community contributions and income tax		<u>(569,879)</u>	<u>(656,769)</u>
Profit before community contributions and income tax expense		637,040	540,215
Charitable donations and sponsorships expense	7	<u>(619,729)</u>	<u>(544,243)</u>
Profit/(loss) before income tax (expense)/benefit		17,311	(4,028)
Income tax (expense)/benefit	8	<u>(4,744)</u>	<u>871</u>
Profit/(loss) after income tax (expense)/benefit for the year		12,567	(3,157)
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>12,567</u></u>	<u><u>(3,157)</u></u>
		Cents	Cents
Basic earnings per share	25	3.08	(0.77)
Diluted earnings per share	25	3.08	(0.77)

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

North Central Financial Services Limited
Statement of financial position
As at 30 June 2026

	Note	2026 \$	2025 \$
Assets			
Current assets			
Cash and cash equivalents	9	35,934	86,761
Trade and other receivables	10	152,863	124,992
Investments	11	210,022	198,522
Current tax assets	8	-	602
Total current assets		<u>398,819</u>	<u>410,877</u>
Non-current assets			
Property, plant and equipment	12	24,121	41,174
Right-of-use assets	13	17,367	24,949
Intangible assets	14	32,214	46,234
Deferred tax assets	8	18,567	23,311
Total non-current assets		<u>92,269</u>	<u>135,668</u>
Total assets		<u>491,088</u>	<u>546,545</u>
Liabilities			
Current liabilities			
Trade and other payables	15	25,582	27,634
Lease liabilities	16	22,021	22,021
Employee benefits		11,172	28,880
Total current liabilities		<u>58,775</u>	<u>78,535</u>
Non-current liabilities			
Lease liabilities	16	25,133	43,906
Employee benefits		949	6,871
Provisions		12,740	11,862
Total non-current liabilities		<u>38,822</u>	<u>62,639</u>
Total liabilities		<u>97,597</u>	<u>141,174</u>
Net assets		<u>393,491</u>	<u>405,371</u>
Equity			
Issued capital	17	384,288	384,288
Retained earnings		9,203	21,083
Total equity		<u>393,491</u>	<u>405,371</u>

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

North Central Financial Services Limited
Statement of changes in equity
For the year ended 30 June 2026

	Note	Issued capital \$	Retained earnings \$	Total equity \$
Balance at 1 July 2024		384,288	52,762	437,050
Loss after income tax expense		-	(3,157)	(3,157)
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	(3,157)	(3,157)
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	19	-	(28,522)	(28,522)
Balance at 30 June 2025		<u>384,288</u>	<u>21,083</u>	<u>405,371</u>
 Balance at 1 July 2025		 384,288	 21,083	 405,371
Profit after income tax expense		-	12,567	12,567
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	12,567	12,567
<i>Transactions with owners in their capacity as owners:</i>				
Dividends provided for or paid	19	-	(24,447)	(24,447)
Balance at 30 June 2026		<u>384,288</u>	<u>9,203</u>	<u>393,491</u>

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

North Central Financial Services Limited
Statement of cash flows
For the year ended 30 June 2026

	Note	2026 \$	2025 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,285,917	1,305,732
Payments to suppliers and employees (inclusive of GST)		(1,297,833)	(1,265,880)
Interest received		19,267	21,813
Income taxes refunded		602	6,523
		<u> </u>	<u> </u>
Net cash provided by operating activities	24	7,953	68,188
Cash flows from investing activities			
Redemption of/(payments for) investments		(11,500)	50,000
Payments for property, plant and equipment		-	(1,130)
		<u> </u>	<u> </u>
Net cash provided by/(used in) investing activities		(11,500)	48,870
Cash flows from financing activities			
Interest and other finance costs paid		(4,060)	(5,354)
Dividends paid	19	(24,447)	(28,522)
Repayment of lease liabilities		(18,773)	(17,479)
		<u> </u>	<u> </u>
Net cash used in financing activities		(47,280)	(51,355)
Net increase/(decrease) in cash and cash equivalents		(50,827)	65,703
Cash and cash equivalents at the beginning of the financial year		86,761	21,058
		<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial year	9	<u><u>35,934</u></u>	<u><u>86,761</u></u>

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

North Central Financial Services Limited
Notes to the financial statements
30 June 2026

Note 1. Reporting entity

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

The company is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is 39-41 High Street, Charlton Vic 3525.

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

Note 2. Basis of preparation and statement of compliance

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

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 September 2026. The directors have the power to amend and reissue the financial statements.

Note 3. Material accounting policy information

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

Adoption of new and revised accounting standards

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

Accounting standards issued but not yet effective

Australian Accounting Standards and Interpretations that have 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.

North Central Financial Services Limited
Notes to the financial statements
30 June 2026

Note 3. Material accounting policy information (continued)

Investments

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.

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.

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Notes to the financial statements
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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. The directors did not identify any impairment indications during the financial year.

Going concern

At each reporting date, management assesses whether the company's use of the going concern basis of accounting remains appropriate. This assessment is underpinned by assumptions and judgements about future events.

Recovery of deferred tax assets

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

Lease term

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

In determining the lease term, all facts and circumstances that create an 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 assesses impairment of non-financial 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 as the higher of its fair value less costs of disposal or value-in-use, each of which incorporate a number of key estimates and assumptions.

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Notes to the financial statements
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Note 4. Critical accounting judgements, estimates and assumptions (continued)

Incremental borrowing rate

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

Note 5. Economic dependency

The company has entered into a franchise agreement with Bendigo Bank that governs the management of the Community Bank. The company is economically dependent on the ongoing receipt of income under the franchise agreement with Bendigo Bank. The directors have no reason to believe a new franchise arrangement under mutually acceptable terms will not be forthcoming following expiry in October 2028.

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

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

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

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

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

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

Note 6. Revenue from contracts with customers

	2026	2025
	\$	\$
Margin income	983,684	930,824
Fee income	35,802	37,144
Commission income	166,441	208,253
	<u>1,185,927</u>	<u>1,176,221</u>

North Central Financial Services Limited

Notes to the financial statements

30 June 2026

Note 6. Revenue from contracts with customers (continued)

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:

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

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

Revenue calculation

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

Margin income

Margin 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.

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Note 6. Revenue from contracts with customers (continued)

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	301,684	343,749
Superannuation contributions	41,149	42,238
Expenses related to long service leave	(1,405)	2,932
Other expenses	15,804	13,334
	<u>357,232</u>	<u>402,253</u>

Depreciation and amortisation expense

	2026	2025
	\$	\$
<i>Depreciation of non-current assets</i>		
Plant and equipment	<u>17,053</u>	<u>17,388</u>
<i>Depreciation of right-of-use assets</i>		
Leased land and buildings	<u>7,582</u>	<u>7,583</u>
<i>Amortisation of intangible assets</i>		
Franchise fee	2,337	2,336
Franchise renewal process fee	<u>11,683</u>	<u>11,682</u>
	<u>14,020</u>	<u>14,018</u>
	<u>38,655</u>	<u>38,989</u>

Finance costs

	2026	2025
	\$	\$
Lease interest expense	4,060	5,354
Unwinding of make good provision	<u>878</u>	<u>817</u>
	<u>4,938</u>	<u>6,171</u>

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Note 7. Expenses (continued)

Charitable donations, sponsorships and grants

	2026	2025
	\$	\$
Direct donation, sponsorship and grant payments	36,828	29,212
Contribution to the Community Enterprise Foundation™	582,901	515,031
	<u>619,729</u>	<u>544,243</u>

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

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

When the company pays a contribution into 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
	\$	\$
<i>Income tax expense/(benefit)</i>		
Movement in deferred tax	4,346	(2,285)
Recoupment of prior year tax losses	398	-
Future income tax benefit attributable to losses	-	1,414
	<u>4,744</u>	<u>(871)</u>
Aggregate income tax expense/(benefit)		
<i>Prima facie income tax reconciliation</i>		
Profit/(loss) before income tax (expense)/benefit	17,311	(4,028)
Tax at the statutory tax rate of 25%	4,328	(1,007)
Tax effect of:		
Non-deductible expenses	416	136
Income tax expense/(benefit)	<u>4,744</u>	<u>(871)</u>
	2026	2025
	\$	\$
<i>Deferred tax assets/(liabilities)</i>		
Tax losses	11,690	12,088
Property, plant and equipment	(6,030)	(10,294)
Employee benefits	3,030	8,938
Provision for lease make good	3,185	2,966
Accrued expenses	1,288	980
Income accruals	(2,042)	(1,612)
Lease liabilities	11,788	16,482
Right-of-use assets	(4,342)	(6,237)
Deferred tax asset	<u>18,567</u>	<u>23,311</u>

North Central Financial Services Limited
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Note 8. Income tax (continued)

	2026 \$	2025 \$
Income tax refund due	-	602

Accounting policy for income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Accounting policy for current tax

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

Accounting policy for deferred tax

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

Note 9. Cash and cash equivalents

	2026 \$	2025 \$
Cash at bank and on hand	35,934	86,761

Note 10. Trade and other receivables

	2026 \$	2025 \$
Trade receivables	107,997	89,394
Other receivables	32,450	25,517
Accrued income	8,166	6,440
Prepayments	4,250	3,641
	44,866	35,598
	152,863	124,992
	2026 \$	2025 \$
<i>Financial assets at amortised cost classified as trade and other receivables</i>		
Total trade and other receivables	152,863	124,992
Less statutory receivables, included in trade and other receivables	(32,450)	(25,517)
Less prepayments, included in trade and other receivables	(4,250)	(3,641)
	116,163	95,834

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.

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Note 11. Investments

	2026	2025
	\$	\$
<i>Current assets</i>		
Managed funds	210,022	198,522

Note 12. Property, plant and equipment

	2026	2025
	\$	\$
Plant and equipment - at cost	158,655	158,655
Less: Accumulated depreciation	(134,534)	(117,481)
	<u>24,121</u>	<u>41,174</u>

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

	Plant and equipment \$
Balance at 1 July 2024	57,432
Additions	1,130
Depreciation	<u>(17,388)</u>
Balance at 30 June 2025	41,174
Depreciation	<u>(17,053)</u>
Balance at 30 June 2026	<u><u>24,121</u></u>

Accounting policy for property, plant and equipment

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

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

Plant and equipment	2.5 to 40 years
---------------------	-----------------

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Note 13. Right-of-use assets

	2026	2025
	\$	\$
Land and buildings - right-of-use	81,353	81,353
Less: Accumulated depreciation	(63,986)	(56,404)
	<u>17,367</u>	<u>24,949</u>

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

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

	Land and buildings \$
Balance at 1 July 2024	32,532
Depreciation expense	<u>(7,583)</u>
Balance at 30 June 2025	24,949
Depreciation expense	<u>(7,582)</u>
Balance at 30 June 2026	<u><u>17,367</u></u>

Accounting policy for right-of-use assets

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

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease. Right-of-use assets are subject to impairment and are adjusted for any remeasurement of lease liabilities.

Refer to note 16 for more information on lease arrangements.

Note 14. Intangible assets

	2026 \$	2025 \$
Franchise fee	91,414	91,414
Less: Accumulated amortisation	<u>(86,045)</u>	<u>(83,708)</u>
	5,369	7,706
Franchise renewal fee	113,507	113,507
Less: Accumulated amortisation	<u>(86,662)</u>	<u>(74,979)</u>
	26,845	38,528
	<u><u>32,214</u></u>	<u><u>46,234</u></u>

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	10,042	50,210	60,252
Amortisation expense	<u>(2,336)</u>	<u>(11,682)</u>	<u>(14,018)</u>
Balance at 30 June 2025	7,706	38,528	46,234
Amortisation expense	<u>(2,337)</u>	<u>(11,683)</u>	<u>(14,020)</u>
Balance at 30 June 2026	<u><u>5,369</u></u>	<u><u>26,845</u></u>	<u><u>32,214</u></u>

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.

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Note 14. Intangible assets (continued)

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:

<u>Asset class</u>	<u>Method</u>	<u>Useful life</u>	<u>Expiry/renewal date</u>
Franchise fee	Straight-line	Over the franchise term (5 years)	October 2028
Franchise renewal fee	Straight-line	Over the franchise term (5 years)	October 2028

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

Note 15. Trade and other payables

	2026	2025
	\$	\$
<i>Current liabilities</i>		
Trade payables	722	356
Other payables and accruals	24,860	27,278
	<u>25,582</u>	<u>27,634</u>
	2026	2025
	\$	\$
<i>Financial liabilities at amortised cost classified as trade and other payables</i>		
Total trade and other payables	25,582	27,634
Less statutory payables, included in trade and other payables	(4,783)	(5,236)
	<u>20,799</u>	<u>22,398</u>

Note 16. Lease liabilities

	2026	2025
	\$	\$
<i>Current liabilities</i>		
Land and buildings lease liabilities	22,021	22,021
<i>Non-current liabilities</i>		
Land and buildings lease liabilities	25,133	43,906
	<u>47,154</u>	<u>65,927</u>
<i>Reconciliation of lease liabilities</i>		
	2026	2025
	\$	\$
Opening balance	65,927	83,406
Lease interest expense	4,060	5,354
Lease payments - total cash outflow	(22,833)	(22,833)
	<u>47,154</u>	<u>65,927</u>

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Note 16. Lease liabilities (continued)

Accounting policy for lease liabilities

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

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

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

The company's lease portfolio includes:

Lease	Discount rate	Non-cancellable term	Lease term end date used in calculations
Charlton Branch	7.40%	5 years	October 2028

Note 17. Issued capital

	2026 Shares	2025 Shares	2026 \$	2025 \$
Ordinary shares - fully paid	407,458	407,458	407,458	407,458
Less: Equity raising costs	-	-	(23,170)	(23,170)
	<u>407,458</u>	<u>407,458</u>	<u>384,288</u>	<u>384,288</u>

Accounting policy for issued capital

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

Rights attached to issued capital

Ordinary shares

Voting rights

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

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

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

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Note 17. Issued capital (continued)

Dividends

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

Transfer

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

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

Prohibited shareholding interest

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

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

- They control or own 10% or more of the shares in the company (the "10% limit").
- In the opinion of the board they do not have a close connection to the community or communities in which the company predominantly carries on business (the "close connection test").

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

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

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

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

Note 18. Capital management

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

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Note 18. Capital management (continued)

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

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

Note 19. Dividends

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

	2026 \$	2025 \$
Fully franked dividend of 6 cents per share (2025: 7 cents)	<u>24,447</u>	<u>28,522</u>

Franking credits

	2026 \$	2025 \$
Franking account balance at the beginning of the financial year	104,511	120,541
Franking credits (debits) arising from income taxes paid (refunded)	(602)	(6,523)
Franking debits from the payment of franked distributions	<u>(8,149)</u>	<u>(9,507)</u>
	95,760	104,511

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

Balance at the end of the financial year	95,760	104,511
Franking credits (debits) that will arise from payment (refund) of income tax	-	(602)
Franking credits available for future reporting periods	<u>95,760</u>	<u>103,909</u>

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

Accounting policy for dividends

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

Note 20. Financial risk management

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

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Note 20. Financial risk management (continued)

- The company has no foreign exchange risk as all of its account balances and transactions are in Australian Dollars.
- The company's franchise agreement limits the company's credit exposure to one financial institution, being Bendigo Bank. The company monitors credit worthiness through review of credit ratings, Bendigo Bank is rated A- on Standard & Poor's credit ratings.
- The company has no direct exposure to movements in commodity prices.
- The company's cash and cash equivalents and financial assets at amortised cost are exposed to changes in market interest rates. Due to their short-term nature, their carrying amounts approximate fair value. The company's managed funds are measured at fair value through profit or loss and are exposed to market price risk, as set out below.
- The company has no borrowings.

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

	2026 \$	2025 \$
Financial assets at amortised cost		
Trade and other receivables (note 10)	116,163	95,834
Cash and cash equivalents (note 9)	35,934	86,761
	<u>152,097</u>	<u>182,595</u>
Financial assets at fair value through profit or loss		
Investments (note 11)	<u>210,022</u>	<u>198,522</u>
Financial liabilities		
Trade and other payables (note 15)	20,799	22,398
Lease liabilities (note 16)	47,154	65,927
	<u>67,953</u>	<u>88,325</u>

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

Accounting policy for financial instruments

Financial assets

Classification

The company classifies its financial assets into the following categories:

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

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

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

Derecognition

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

Impairment of trade and other receivables

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

Financial liabilities

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Note 20. Financial risk management (continued)

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 \$35,934 at 30 June 2026 (2025: \$86,761).

Sensitivity analysis

	% change increase	Effect on profit before tax	Effect on equity	% change decrease	Effect on profit before tax	Effect on equity
2026						
Managed funds	10%	<u>21,002</u>	<u>14,701</u>	10%	<u>(21,002)</u>	<u>(14,701)</u>
	% change increase	Effect on profit before tax	Effect on equity	% change decrease	Effect on profit before tax	Effect on equity
2025						
Managed funds	10%	<u>19,852</u>	<u>13,896</u>	10%	<u>(19,852)</u>	<u>(13,896)</u>

Price risk

The company invests in managed funds to generate investment returns on funds not required for immediate operating purposes. The investments are available for realisation to meet the company's operating and liquidity requirements and are therefore classified as current assets.

Liquidity risk

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

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

	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2026				
Trade and other payables	20,799	-	-	20,799
Lease liabilities	22,833	28,224	-	51,057
Total non-derivatives	<u>43,632</u>	<u>28,224</u>	<u>-</u>	<u>71,856</u>

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Note 20. Financial risk management (continued)

	1 year or less \$	Between 1 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
2025				
Trade and other payables	22,398	-	-	22,398
Lease liabilities	22,833	51,057	-	73,890
Total non-derivatives	45,231	51,057	-	96,288

Note 21. Key management personnel disclosures

The following persons were directors of North Central Financial Services Limited during the financial year and/or up to the date of signing of these financial statements.

Winifred Maude Scott	Kerrie Louise Soulsby
Matthew Simon Peck	Dale Trevor Watts
Matthew William McGurk	Victoria Gentle
Neville Spruhan-Cloak	Margaret Therese McGrath
Elizabeth Anne Riley	Rebecca Postlethwaite
Luke Whykes	

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 22. Related party transactions

Key management personnel

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

Receivable from and payable to related parties

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

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Note 22. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	2026 \$	2025 \$
A director provided secretarial services during the period. The amount paid exclusive of GST was:	4,800	4,800
Charlton Football Club received grants and sponsorship during the year. A director is on the committee, and three directors are club members.	1,200	13,428
Charlton Netball Club received grants and sponsorship during the year. A director is on the committee of the club.	-	2,500
Charlton Golf Club received grants and sponsorship during the year. A director is on the committee of the club and a director's husband is the president.	6,571	4,000
Charlton Neighbourhood House received grants during the year. A director is the secretary, and two other directors are members.	-	10,878
Charlton Community Gym received grants and sponsorship during the year. A director is a committee member.	3,300	17,354
Charlton Hockey Club received grants and sponsorship during the year. A director is a member of the club.	800	-
Charlton College received a grant during the year. Two directors and a director's wife are employees of the college.	500	-
Buloke Neighbourhood Cluster received grants during the year. A director is a volunteer.	8,000	-

Note 23. Remuneration of auditors

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

	2026 \$	2025 \$
<i>Audit services</i>		
Audit or review of the financial statements	8,185	7,930
<i>Other services</i>		
Taxation advice and tax compliance services	1,149	705
General advisory services	3,915	3,740
	5,064	4,445
	<u>13,249</u>	<u>12,375</u>

North Central Financial Services Limited
Notes to the financial statements
30 June 2026

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

	2026 \$	2025 \$
Profit/(loss) after income tax (expense)/benefit for the year	12,567	(3,157)
Adjustments for:		
Depreciation and amortisation	38,655	38,989
Lease liabilities interest	4,060	5,354
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(27,871)	18,826
Decrease in income tax refund due	602	6,523
Decrease/(increase) in deferred tax assets	4,744	(871)
Increase/(decrease) in trade and other payables	(2,052)	515
Increase/(decrease) in employee benefits	(23,630)	1,192
Increase in other provisions	878	817
Net cash provided by operating activities	<u>7,953</u>	<u>68,188</u>

Note 25. Earnings per share

	2026 \$	2025 \$
Profit/(loss) after income tax	<u>12,567</u>	<u>(3,157)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>407,458</u>	<u>407,458</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>407,458</u>	<u>407,458</u>
	Cents	Cents
Basic earnings per share	3.08	(0.77)
Diluted earnings per share	3.08	(0.77)

Accounting policy for earnings per share

Basic and diluted earnings per share is calculated by dividing the profit attributable to the owners of North Central Financial Services Limited, by the weighted average number of ordinary shares outstanding during the financial year.

Note 26. Commitments

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

Note 27. Contingencies

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

North Central Financial Services Limited
Notes to the financial statements
30 June 2026

Note 28. Events after the reporting period

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 BEN'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 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.

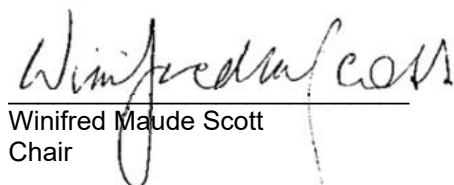
North Central Financial Services Limited
Directors' declaration
30 June 2026

In the directors' opinion:

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

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

On behalf of the directors



Winifred Maude Scott
Chair

28 September 2026



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 North Central Financial Services Limited

Report on the Audit of the Financial Report

Our opinion

In our opinion, the accompanying financial report of North Central Financial Services Limited (the Company), is in accordance with the *Corporations Act 2001*, including:

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

What we have audited

We have audited the financial report of North Central Financial Services Limited, which comprises:

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

Basis for opinion

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the Directors' Report, which we obtained prior to the date of this auditor's report, and the remaining information included in the Company's Annual Report for the year ended 30 June 2026 but does not include the financial report and our auditor's report thereon.



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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 during the audit, or otherwise appears to be materially misstated.

At the date of this auditor's report, we have received and read the Directors' Report and have not identified any material inconsistency between that information and the financial report or our knowledge obtained during the audit.

The remaining other information included in the Annual Report is expected to be made available to us after the date of this auditor's report. When we read that information, if we conclude that there is a material misstatement therein, we are required to take appropriate action in accordance with the Australian Auditing Standards.

Responsibilities of the directors for the financial report

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

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

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf
This description forms part of our auditor's report.

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

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

A handwritten signature in black ink, appearing to read 'Adrian Downing'.

Adrian Downing
Lead Auditor