Annual Report 2026









Palerang Financial Services Limited

Community Bank
Braidwood and Bungendore

ABN 83 097 801 100

Our Community Impact 2025-26



$12m
provided to empower local communities to date



$1.15m
invested in our communities in FY2025-26



16
scholarship recipients



75
organisations supported in 2025-26

Investment by category

$681k
Arts, Culture & Heritage

$182k
Education & Research

$105k
Health & Wellbeing

$94k
Sport & Recreation

$77k
Facilities & Infrastructure

$6k
Emergency Services & Support

$5k
Environment & Animal Welfare

People, places and brighter futures



*St*rong communities are built by investing in people, creating opportunities and supporting the places where we live, learn and connect. From schools and young people to creativity and community spaces, these projects are helping our region thrive today while building a brighter future for tomorrow.







St Bede's Primary School
Colour our playground!

Learning, movement and play now share the same space. Colourful new playground games are giving St Bede's students more ways to be active, learn and play together — including undercover options when the weather turns. Students from Kindergarten to Year 6 are using the new spaces together, encouraging one another as they play.

> It is wonderful to see students from Kinder through to Year 6 playing together, encouraging each other.
> **Shaye Cooper**

Bungendore High School
Hospitality Equipment

Students at Bungendore's new high school can now learn hospitality by doing it. Our grant helped equip the school's hospitality facilities, creating practical learning opportunities and giving local students access to skills they can carry into further education and employment. It is an investment that will benefit successive classes of students.

> This project has been a great example of the exciting opportunities our school will offer into the future.
> **Matt Bowden**

Braidwood Academy of
Creative Arts - ChewBACA

What does the Braidwood Yowie have to do with youth development? Quite a lot, it turns out. Through ChewBACA, local young people are using Braidwood stories to explore podcasting, research, creativity and critical thinking. Our investment provided industry-standard equipment, creating resources young people can continue using to tell their community's stories.

> The ChewBACA project is amazing! Beyond making podcasts, it's all about nurturing creativity and community.
> **Nadia McLeish**



Braidwood Central School
Matilda the Musical JR

A school stage became a place for local talent to shine. Matilda the Musical JR gave BCS students the experience of bringing a major production to life — developing skills, confidence and creativity along the way. Our sponsorship helped create an experience students will remember well beyond the final curtain.

> Your sponsorship played an important role in bringing this production to life and provided our students with an unforgettable opportunity to develop their confidence and skills. **Rochelle Natoli**



Tarago Preschool
Comedy Night

A night of laughter became a fundraiser for Tarago's youngest residents. The Preschool's Comedy Night brought the community together, generated enthusiastic feedback and created a fundraising event organisers hope can continue to grow.

> It was a fantastic night and very well run, I look forward to attending again.
> **David**



Braidwood Preschool
Open Gardens

Beautiful gardens opened their gates — and the whole community benefited. Braidwood Open Gardens brought visitors into town while raising funds for Braidwood Preschool. Our sponsorship helped the volunteer organisers promote the event across the region, contributing to a highly successful weekend and raising funds for resources and equipment for local children.

> The sponsorship support from Community Bank Braidwood was invaluable in the success of this major fundraiser. **Alison, Open Gardens Organising Committee**



1st Braidwood Scout Group
New Hiking Tents

Adventure shouldn't depend on what equipment a family can afford. New lightweight hiking tents have increased the Scout Group's supply of essential camping gear, helping more local young people take part in outdoor activities. It is practical support that makes participation a little more accessible for everyone.

> Without the Bank's support, we would not have been able to purchase these tents and increase our supply of vital camping equipment.
> **Malcolm Campbell**



Braidwood & District Education Foundation

For a young person from Braidwood, further education can mean moving away, long journeys and costs well beyond course fees. Our $15,000 contribution supported Braidwood & District Education Foundation's 2026 grants, providing assistance directed to genuine education expenses. The Foundation's students have described the difference help with rent, travel, laptops, course costs and apprenticeship tools can make. It is practical support which eases financial pressure and helps young people keep working towards their goals.



Consensus Education Think Tank

Learning to think for yourself should not depend on what your family can afford. Think Tank's online after-school clubs bring young people together to explore real-world issues, question information and communicate their ideas. Our funding covers tuition so local students can participate free of charge. The benefits are coming full circle, with former students training as paid tutors and helping the next group of young thinkers develop their skills.



Rotary Clubs of Bungendore and Crookwell Defensive Driver Training

Wildlife, changing conditions and unexpected hazards are part of country driving. Our support for defensive driver training through Bungendore and Crookwell Rotary helps local P-platers build confidence and practical skills.

A past Bungendore participant credited the training with helping them stay calm when a kangaroo appeared on the Federal Highway. In Crookwell, our $1,000 sponsorship backed an initiative aiming to cover course costs for 15 young drivers.

Together, these programs help young people prepare for safer journeys on country roads.



Lions Club of Braidwood Young Writers Festival & Antique Fair

Young writers and local traditions both have a place in Braidwood Lions' community work. Our support included funding for the 2026 Young Writers Festival, giving schoolchildren across the 2622 postcode an opportunity to submit their work, with winning entries planned for publication in a book. We also supported the Club's Antique Fair, a local event which raises funds for community organisations. These partnerships back volunteer-led activities whose benefits reach beyond the event itself.

Supporting Local Talent

For young people in regional communities, pursuing further education can mean leaving home and taking on significant additional costs. Our Community Bank scholarships help ease that pressure, giving local students the financial support and confidence to focus on their studies, develop their skills and make the most of the opportunities ahead.





Hope Bunn
Scholarship Recipient

Starting university in 2026 meant a big change for Hope Bunn — a new course, a new city and the additional costs that come with studying away from home. Hope is undertaking a Bachelor of Business alongside a Bachelor of Communications and Media, building skills across two fields with plenty of possibilities for where they might take her.

Her Community Bank Braidwood scholarship is helping meet some of the costs of relocating and university life, easing the financial pressure that can come with leaving a regional community to study. The support is giving Hope greater freedom to focus on her studies, embrace new experiences and make the most of the opportunities university has to offer.

> The scholarship gives me the support to focus on my studies and make the most of this opportunity.
> **Hope Bunn**



Jacques Dusan
Scholarship Recipient

For Jacques, 2026 marked the beginning of an exciting step towards a career in the performing arts. Jacques began his training at Sydney Actors School, turning his passion for performance into intensive professional study and developing the skills and experience needed to pursue a career in the industry.

Studying away from home brings costs well beyond course fees. Jacques' Community Bank Bungendore scholarship is helping ease some of that financial pressure, giving him greater capacity to concentrate on his training and take advantage of the opportunities that come with studying in Sydney. It is practical support for a local young person prepared to take a chance on an ambitious creative career.

> The scholarship gives me the time and space to fully commit to my training and focus on my passion.
> **Jacques Dusan**



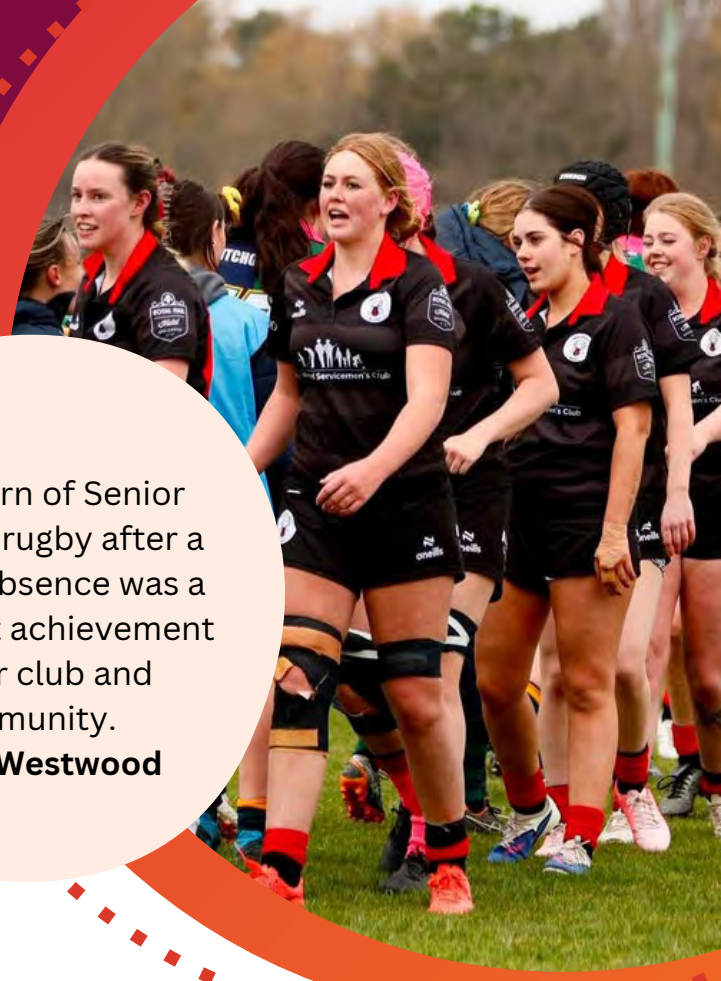
Sophie Turner
Scholarship Recipient

Studying nursing involves more than lectures and exams. Clinical placements are an essential part of becoming a nurse, but the time spent completing them can also mean fewer opportunities for paid work and additional financial pressure at an already demanding stage of study.

For Sophie, a Community Bank scholarship helped ease that pressure. With greater financial support during her nursing studies and placements, she has been able to concentrate on learning, perform at her best and make the most of the practical experiences preparing her for a career in healthcare. Sophie says the scholarship has also opened up new career opportunities and given her a valuable head start as she moves towards life after university.

> The scholarship helped alleviate the financial burden of placements, allowing me to focus on my studies and perform my best.
> **Sophie Turner**

Supporting local sporting opportunities



Braidwood Redbacks Rugby Club
Senior Women's Rugby

After six years away, women's rugby is back in Braidwood. What began as an idea became a team, giving local women the opportunity to pull on a Redbacks jersey and play for their town again. Our sponsorship of $5,000 helped provide uniforms, training apparel and equipment for the returning women's side and junior players.

> The return of Senior Women's rugby after a six-year absence was a significant achievement for our club and community.
> **Kiarra Westwood**



Bungendore Netball Pre-season Package

Community Bank Bungendore provided $5,000 to support Bungendore Netball Club's 2026 pre-season package, helping players, families and coaches start the season connected, prepared and supported. Around 80 players, parents, carers and club members took part in a whole-of-club pre-season day combining netball skills and fitness with sessions on nutrition, cognitive performance, positive parenting and club values. The sponsorship also funded player packs and Sport and Life Training (SaLT) sessions focused on positive coaching and junior wellbeing and mental health, strengthening the Club's commitment to friendship, inclusion and community.

> The Pre-season Day made such a positive difference to our family's experience. It helped my child feel welcomed, included and excited to be part of the Club before the season even began. **Jacqui Brooker**



Crookwell Senior Green Devils Rugby League Club

A strong country sporting club is about much more than what happens on the field. Our partnership with the Green Devils helped provide players with the resources they needed through the season while supporting the club's financial sustainability and keeping community sport accessible.

> Our partnership with Community Bank Braidwood has been a game-changer for our club and our teams.
> **Jayde Della**



Braidwood Junior Soccer Club Upskilling

Better coaching, right here at home. Braidwood's young footballers were able to access specialist Coerver coaching without families having to travel out of town. Just as importantly, local volunteer coaches developed new skills and techniques they can keep using — meaning the benefits of the program stay in Braidwood long after the clinics finish.

> The sessions were hands-on, energetic, and fun. **Dale Gallagher**



Bungendore Rugby Football Club Mudchooks & Mudchicks playing gear

Pulling on the club jersey shouldn't put extra pressure on the household budget. Our sponsorship helped provide playing kits for Bungendore's Mudchooks and Mudchicks, reducing costs for players and helping keep local rugby affordable. It was also a season to celebrate, with the Mudchooks going on to win the premiership.

> Without the support of the Bank, small community sporting clubs like ours simply cannot operate. This partnership is one we truly value. **Mark Robson**



Bungendore United Football Club 2026 Season

From Saturday community soccer to competitive squads, football is bringing Bungendore families together. Our sponsorship supported equipment, club development and football programs, helping the club strengthen its capacity while continuing to build an inclusive local sporting community.

> The generosity shown year, after year, after year, to local initiatives is truly exceptional. **Lisa Murray**



Braidwood Polocrosse Club Annual Carnival

Horses, riders and spectators came together for one of Braidwood's big sporting weekends. Our sponsorship helped the Polocrosse Club stage its annual carnival, supporting a community event that brings competitors and visitors into town and keeps a much-loved rural sporting tradition thriving.

> It is so pleasing to know that Braidwood Community Bank is our bank and they support us as a community.
> **Aaron Clarke**

Community Facilities & Infrastructure







Mongarlowe Area Community Association Defibrillator

In Mongarlowe, the nearest hospital is around 15 minutes away — time that matters in a cardiac emergency. Our investment placed a publicly accessible defibrillator at the community hall, giving this small rural community potentially lifesaving equipment where it can be reached quickly.

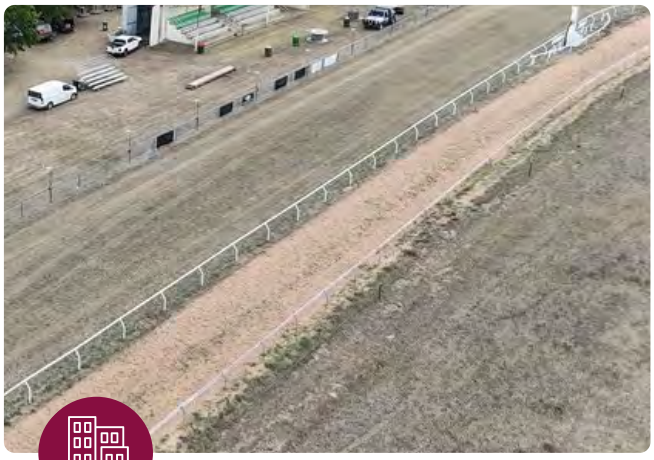
> It provides the community with a publicly accessible lifesaving device that can mean the difference between life and death.
> **Carol Willis**



Majors Creek Recreation Reserve Hall Air-conditioning

A country hall is only valuable if people can comfortably use it. New heating and cooling has transformed the Majors Creek hall into a more welcoming year-round meeting place for community groups, events and visitors. It is a simple, practical investment already changing how the hall can be used.

> This makes the hall so pleasant to use now.
> **Majors Creek Community**



Braidwood Jockey Club Running Rail Upgrade

Sometimes community investment keeps an institution on track — literally. Braidwood Jockey Club needed to replace its inside running rail before racing could continue. Our $25,000 investment helped install the essential infrastructure needed for the club to continue staging Braidwood's annual race meeting.

> This sponsorship was an amazing help.
> **Braidwood Jockey Club**

Arts, Culture & Heritage

A vibrant arts, culture and heritage sector brings our communities together, celebrates our history and creativity and makes our region a great place to live, work and visit.



Majors Creek CWA Fire Blanket Project

One local family's frightening experience became the catalyst for greater fire safety. After a mother used a fire blanket to control a kitchen fire while getting her four children to safety, the story helped demonstrate how important this simple piece of equipment can be. The CWA project is taking that lesson into the wider community — and its value was recently reinforced when a fire at the community centre was quickly extinguished using a fire blanket provided by the bank.



Braidwood Quilters 2025 Airing of the Quilts

Each year, Airing of the Quilts transforms Braidwood into an outdoor gallery, filling the town with colour, craftsmanship and creativity. The event showcases work from new and experienced textile artists, while drawing visitors to explore the town and its businesses. Our sponsorship helps keep this much-loved Braidwood tradition thriving.

> I was enchanted with the array of talent on show.
> **Visitor testimonial**



Braidwood Visitor Centre New technology

At Braidwood's Visitor Centre, volunteers never know what the next question will be. New technology is helping them answer everything from accommodation and road enquiries to local history and cemetery records. Our investment gave the volunteer team better tools to help visitors discover Braidwood and the surrounding villages.

> As volunteers we pride ourselves on being able to answer any question.
> **Margaret Tuckwell**



Braidwood & District Heavy Horse Association 2026 Heavy Horse Show

Nearly 2,000 people came through the gates of the Braidwood Heavy Horse Show. The growing winter event celebrates the district's heavy-horse heritage while drawing visitors into Braidwood and supporting local businesses. Our sponsorship helped the show attract more exhibitors, visitors and competition.

> Community Bank Braidwood's support helps us keep this important part of our local heritage alive and growing



Bringing our heritage to life



Braidwood Museum & Heritage Centre

Our $590,000 investment helped complete key elements of the Braidwood Heritage Centre, bringing new life to the Museum and creating an income stream for its future. Six ensuite homestay rooms, styled with museum pieces, offer visitors a distinctive connection to Braidwood's history. New reception facilities, improved access and the appointment of a manager have supported longer opening hours and renewed volunteer enthusiasm. While the broader project continues, these improvements are helping preserve local stories, welcome visitors and strengthen the Museum's future.

> The themed homestay accommodation will bring families and functions and provide a sustainable income stream for the future.
> **Peter Smith**



Braidwood Life Centre Christmas Day Event

Our $4,800 donation supported Braidwood Life Centre's 2025 Community Christmas event for people in Braidwood and the surrounding villages experiencing financial hardship.

Working with Vinnies volunteers, the project offered food hampers, vouchers for local food purchases and a shared Christmas lunch. Alongside practical help, it created an opportunity for company and connection at a time when both can matter greatly.



Bungendore Preschool Annual Fair

Our $7,500 sponsorship supported Bungendore Preschool's Fair, helping raise funds for the community-based preschool while providing a platform for local small businesses and charities. Organisers described an event which strengthened connections as well as supporting early learning. It is a partnership with benefits beyond the preschool gates, bringing families, volunteers and local organisations together around a shared community purpose.

Investing in what matters locally

Every community has different needs, and often it's the practical, locally driven projects that make a real difference. From protecting community assets and improving shared spaces to supporting volunteers and tackling regional challenges, our funding helps strengthen local organisations and initiatives, creating lasting benefits and more resilient communities.



Braidwood Hospital Auxiliary Annual Fete

Small investments can power some of our most enduring community traditions. Our support helped Braidwood Hospital Auxiliary stage its annual fete. The successful event brought people together while supporting the volunteers who raise funds for the local hospital.



Crookwell AP&H Society Showground Wi-Fi & Security

Protecting a community asset while preparing it for the future. New Wi-Fi and security infrastructure at the Crookwell Showground is improving administration and helping safeguard equipment from theft and vandalism.



Upper Murrumbidgee Landcare European Wasp Control Program

A small pest can create a big problem across a regional community. The European Wasp Control Program reached communities from Braidwood and Wamboin to Queanbeyan and Cooma, using education and community surveying to build awareness and inform local control efforts.



Braidwood Old Sunday School Hall Community Garden

A busy community hall is growing beyond its four walls. A new garden is creating a safer, more welcoming outdoor space at Braidwood Old Sunday School Hall — somewhere families and friends can spend time while the hall hosts community activities.



Braidwood Swimming Club
2025-26 Season

Seventy-six swimmers found their place in the pool this season. From children building confidence with a kickboard to competitive swimmers developing their skills, Braidwood Swimming Club created a place for swimmers of different ages and abilities. Regular training and competition gave swimmers the chance to challenge themselves, celebrate their progress and enjoy being part of a supportive local club. Our support helped deliver an inclusive season where confidence, friendships and swimming skills could grow together.

> We were able to create a fun, supportive and inclusive season for our swimmers. **Susi Pluess**



Southern NSW Harvest
Bungendore Harvest Festival

A festival can connect people not just with food, but with where it comes from. Extra signage and promotion helped the Bungendore Harvest Festival attract visitors to its markets and farm tours, creating opportunities to meet regional producers and experience the district's food and farming community.

> Harvest Festival gives us the opportunity for our community to come together and celebrate the great local produce in our region.
> **Ruth Gaha Morris**



Captains Flat Fishing Club
Attracting young people

In a small, isolated community, local clubs provide much more than recreation. Our support is helping strengthen participation and social connection, particularly for young people. Funding has supported the club and helped provide two paddleboards for its fishing camps, creating more ways for members to get involved and enjoy the outdoors.

> The sponsorship will help bring Captains Flat and the surrounding community together. We were able to purchase paddle boards and accessories for everyone to use at our events, and the children had a wonderful time enjoying them.
> **Anita King**



Australian Skin Cancer Foundation
Skin Check Truck

When the Skin Check Truck visited Braidwood, Bungendore and Crookwell in December, every appointment was booked. In partnership with the Australian Skin Cancer Foundation, we brought vital skin checks directly to our communities, identifying melanomas and other potentially serious skin cancers along the way. The results demonstrated the very real impact of making preventative health services more accessible in regional communities.



Braidwood FM Community Radio Weather Station

The weather in town can be very different from the conditions on Mount Gillamatong. Our $5,000 sponsorship supported Braidwood FM's project to add professional weather stations alongside its existing cameras at the studio and transmitter sites, together with a dedicated computer. The project is designed to provide immediate local information for residents, farmers and listeners — extending the community station's role beyond the airwaves and helping people understand conditions closer to home.







Majors Creek Festival

A small village becomes a gathering place for music, friendship and creativity at Majors Creek Festival. Our $10,000 sponsorship helped cover marquee and equipment hire for the 2025 event, providing comfortable, weather-protected spaces for performers and audiences. Organised by a volunteer committee with help from up to 150 volunteers, the festival brings visitors into the region and supports artists and local businesses. Organisers said our support helped retain funds towards staging the festival again in 2026.

> The Bank's long-standing commitment has made a real difference, allowing the Festival to survive and thrive where others have not.
> **Majors Creek Festival**



Tarago, Bungendore & Braidwood Shows

From livestock and pavilion displays to local crafts and family entertainment, country shows give each town a chance to celebrate what makes it special.

Our combined $36,000 support for the Tarago, Bungendore and Braidwood Show societies backs these volunteer-led community events.

Across the three towns, our support recognises the value of bringing people together and keeping country traditions accessible to families.

> Our show can only happen with generous support. A big thank you to Community Bank Braidwood once again.
> **Braidwood Show Committee**

Care, connection and a helping hand



First Steps Pregnancy Support
More room for care & Pramathon

More space means more room to support women and their families. Our $22,000 contribution helped First Steps Pregnancy Support fit out its expanded Queanbeyan premises, creating space for appointments, group activities, staff, volunteers and donated baby essentials. A further $15,000 sponsorship supported the Pramathon, bringing families and the wider community together for a day of inclusion, fun and fundraising. Together, these contributions help First Steps provide practical assistance and personal support when women and their families need it most.

> The Pramathon is a wonderful example of the community coming together in the spirit of inclusion and fun.
> **Ebony, Board Chair**



Bungendore Rural Fire Service

When their community needs them, rural fire brigade volunteers step forward. Our $4,000 sponsorship of Bungendore Rural Fire Brigade recognises that commitment and the importance of supporting emergency services close to home. Community investment is one way we can stand behind the people who give their time to protecting others, helping sustain a service with an essential role in the district.



Bungendore Seniors Association

A welcoming day out can offer much more than good company. Bungendore Seniors Association's Seniors Day combined opportunities to reconnect with practical information about positive ageing, seniors' rights, arthritis, strength and balance. The event was fully booked, with a waiting list, and participants took information back to other local groups. Our support helped make the day affordable, giving older residents a relaxed setting to learn, meet new people and enjoy being part of their community.

Community Funding 2025/26

Funding Type	Contribution Recipient	Amount
Donation	Aust. Skin Cancer Foundation Limited	$ 44,995
Donation	Braidwood & District Education Foundation	$ 15,000
Donation	Braidwood Junior Soccer Club	$ 567
Donation	Braidwood Life Centre	$ 4,800
Donation	Bungendore High School	$ 100
Donation	Bungendore Public School	$ 100
Donation	Captains Flat Primary School	$ 100
Donation	First Steps Pregnancy Support	$ 22,100
Donation	St Bedes School	$ 100
Donation	YMCA Canberra Region	$ 15,000
Grant	Bungendore High School P&C Association	$ 22,000
Grant	Carwoola Community Association	$ 15,000
Grant	Completion of Bwd Heritage Centre Stage 1	$ 590,000
Grant	Think Tank Critical Thinking courses	$ 28,800
Grant	Victorian Bushfire Appeal	$ 1,000
Grant	Victorian Flood Appeal	$ 1,000
Scholarship	Indiana Gordan	$ 2,000
Scholarship	Scholarship CFSC00001	$ 6,000
Scholarship	Scholarship CFSC00001	$ 3,000
Scholarship	Scholarship CFSC00003	$ 2,000
Scholarship	Scholarship CFSC00005	$ 2,000
Scholarship	Scholarship CFSC00006	$ 4,000
Scholarship	Scholarship CFSC00007	$ 4,000
Scholarship	Scholarship CFSC00010	$ 6,000
Scholarship	Scholarship CFSC00010	$ 4,000
Scholarship	Scholarship CFSC00012	$ 5,000
Scholarship	Scholarship CFSC00013	$ 3,000
Scholarship	Scholarship CFSC00018	$ 4,000
Scholarship	Scholarship CFSC00019	$ 3,000
Scholarship	Scholarship CFSC00020	$ 2,000
Scholarship	Scholarship CFSC00021	$ 5,000
Scholarship	Scholarship CFSC00023	$ 2,000
Scholarship	Scholarship CFSC00024	$ 6,000
Sponsorship	1st Braidwood Scout Group	$ 1,500
Sponsorship	Braidwood & District Chamber of Commerce	$ 5,000
Sponsorship	Braidwood & District Heavy Horse Assoc	$ 4,970
Sponsorship	Braidwood & Village Tourism Assoc Inc	$ 2,000
Sponsorship	Braidwood Academy of Creative Arts	$ 18,000
Sponsorship	Braidwood CWA	$ 1,700
Sponsorship	Braidwood FM Inc	$ 5,000
Sponsorship	Braidwood Hospital Auxiliary	$ 650
Sponsorship	Braidwood Jockey Club Inc	$ 28,300
Sponsorship	Braidwood Junior Soccer Club	$ 5,000
Sponsorship	Braidwood Motor Club	$ 650
Sponsorship	Braidwood Old Sunday School Hall Assoc	$ 3,740
Sponsorship	Braidwood Polocrosse Club	$ 5,000
Sponsorship	Braidwood Preschool Assoc	$ 5,000
Sponsorship	Braidwood Quilters & Textiles	$ 4,000
Sponsorship	Braidwood RSL Sub Branch	$ 1,000
Sponsorship	Braidwood Rugby Union Club	$ 5,000
Sponsorship	Braidwood Show Society	$ 15,000

Community Funding 2025/26

Funding Type	Contribution Recipient		Amount
Sponsorship	Braidwood Swimming Club	$	5,000
Sponsorship	Bungendore Bunyips Cricket Club	$	5,000
Sponsorship	Bungendore Campdraft Club Inc	$	5,000
Sponsorship	Bungendore Netball Club	$	5,000
Sponsorship	Bungendore PA & H Society Inc	$	16,000
Sponsorship	Bungendore Preschool	$	7,500
Sponsorship	Bungendore Quilters	$	500
Sponsorship	Bungendore Rugby Football Club Inc	$	5,000
Sponsorship	Bungendore Rugby Football Club Inc	$	5,000
Sponsorship	Bungendore Seniors Association Inc	$	4,787
Sponsorship	Bungendore Swimming Club	$	5,000
Sponsorship	Bungendore Tigers Junior Rugby League FC	$	11,677
Sponsorship	Bungendore Tigers Rugby League FC Inc	$	5,000
Sponsorship	Bungendore United Football Club	$	5,000
Sponsorship	Bungendore Volunteer Rural fire Brigade	$	4,000
Sponsorship	Bungendore War Memorial Committee	$	500
Sponsorship	Canberra Royals Polocrosse	$	500
Sponsorship	Captains Flat Community Association	$	900
Sponsorship	Captains Flat Mens Shed	$	2,000
Sponsorship	Carwoola Rural Fire Brigade	$	5,500
Sponsorship	Crookwell & District Junior Rugby League	$	3,500
Sponsorship	Crookwell AP & H Society Inc	$	9,419
Sponsorship	Crookwell District Cricket Association	$	3,000
Sponsorship	Crookwell Sr Green Devils Rugby League Club	$	5,000
Sponsorship	First Steps Pregnancy Support Ltd	$	15,000
Sponsorship	Hoskinstown War Memorial Hall	$	3,922
Sponsorship	Lions Club of Braidwood	$	6,000
Sponsorship	Majors Creek CWA	$	1,200
Sponsorship	Majors Creek Festival Inc	$	10,000
Sponsorship	Majors Creek Recreation Reserve Trust	$	5,000
Sponsorship	Monaro Rugby Union Club	$	3,000
Sponsorship	Mongarlowe Area Community Assoc Inc	$	1,650
Sponsorship	Queanbeyan RSL Memorial Bowling Club	$	1,000
Sponsorship	Rotary Club of Bungendore	$	2,500
Sponsorship	Rotary Club of Bungendore	$	500
Sponsorship	Rotary Club of Bungendore	$	2,240
Sponsorship	Rotary Club of Crookwell	$	1,000
Sponsorship	Southern NSW Harvest Incorporated	$	1,000
Sponsorship	St Bedes Primary School	$	8,000
Sponsorship	Tarago Preschool Association Inc	$	10,000
Sponsorship	Tarago Preschool Association Inc	$	2,000
Sponsorship	Tarago& District Show Society	$	5,000
Sponsorship	The Lions Club of Braidwood	$	1,000
Sponsorship	The Lions Club of Braidwood	$	5,000
Sponsorship	Upper Murrumbidgee Landcare Committee	$	4,500
Sponsorship/Donation	Braidwood Central School P&C	$	5,550
Total		**$**	**1,150,017**

Chairperson's report

For year ending 30 June 2026

The 2025/26 financial year was another profitable year for Palerang Financial Services Limited (PFSL) that has enabled us to continue to allocate substantial funding to our local communities in Braidwood, Bungendore, and surrounding districts.

Our profit before tax and community contributions remained strong at $1,520,676, being 3% less than the 2024/25 result of $1,571,529. As a result, the company continues to deliver on its purpose to return benefits to the community through providing significant community funding.

During 2025/26, we have continued to deliver sponsorships, grants, donations and scholarships to our community totaling $789,332. Within this total amount we provided $420,911 directly to community organisations as sponsorships and donations and allocated $368,421 to the Community Enterprise Foundation (CEF), a vehicle the Community Banks use to hold funds until community grants and scholarships are required in the future.

From its commencement in September 2002 until 30 June 2026, PFSL has provided $12.1 million directly to our local community including the funds held in the CEF for future projects. This total contribution to the community of $12.1 million represents the majority of our profit over these past 24 years and clearly demonstrates that we are a substantial, sustainable, community-built business that contributes to community prosperity.

For the 2025/26 financial year, based on a profit result after community contributions and before income tax of $731,344, the company has declared a franked dividend of 9.0 cents per share as of 1 November 2026 to be paid to shareholders in December 2026.

We continue to maintain an excellent structural position on our balance sheet with no debt, $4,840,267 in assets and $1,090,616 in liabilities.

During 2025/2026 we were pleased to welcome Christine Allard, Jillian Kuchel, and Carmen Byrne to the Board. We record our sincere gratitude to Shane Holness, Dale Towell, and Andrew Callan, who stepped down from their directorships during the period.

In October 2025, our then Senior Branch Manager Jess D'Arcy was promoted to the role of Regional Manager, Canberra and South Coast, Bendigo Bank. Our Community Company Manager, Craig Pettit, retired at the end of 2025/26. In August 2026 Jack Agland commenced working for PFSL as the Senior Branch Manager.

Our success during this last year and for the past 24 years has been built on the back of the loyalty of our customers, the hard work of our branch team members, the commitment to strong governance of our business by the past and present directors of PFSL, and the support we get from our shareholders. Thank you all for your contributions to our success and thank you in particular to Craig Pettit who gave 24 years of dedicated service to PFSL.

Garry Cook

Chair, PFSL Board of Directors

C2 - Internal Use

Senior Manager’s Report

Palerang Financial Services Limited | Community Bank Braidwood & Districts and Community Bank Bungendore

Annual Report 2026

I am proud and privileged to present my first Senior Manager’s Report for the 2026 Annual Report, following my appointment in August 2026. Stepping into this leadership role has been highly rewarding, and it has been an honour to guide a team defined by professionalism, capability, and an unwavering commitment to our customers and regional communities.

Operating under the Community Bank model means our purpose extends well beyond everyday transactions. Every account opened, every loan funded, and every relationship established across our branches directly strengthens the social and economic fabric of Braidwood, Bungendore, and surrounding districts. The past financial year has demonstrated the resilience and enduring value of that model.

Business & Financial Performance

Our financial results over the 2025–2026 financial year reflect a disciplined approach to balance sheet management, robust revenue generation, and sound operational control amid an evolving economic and interest rate environment.

Metric	FY2026 Result	Performance Notes
Gross Revenue / Turnover	$3,611,844	Resilient top-line revenue supported by sustained margin income and deposit expansion.
Operating Profit	$1,520,676	Strong net earnings outcome, reinforcing capital strength for community reinvestment.
Cost-to-Income Ratio	57.90%	Reflects targeted operational efficiency across both branch operations.
Staff Cost-to-Income Ratio	38.11%	Prudent workforce allocation while sustaining premium relationship-banking standards.
Lending Portfolio Movement	–$3,912,110	Reflects broader cost-of-living pressures, interest rate caution, and scheduled principal reductions.
Deposit Portfolio Growth	+$24,316,896	Outstanding customer trust, strong local liquidity accumulation, and franchise growth.
Net Core Portfolio Growth	+$20,404,768	Strong overall balance sheet expansion across our combined branch network.

Performance Commentary

Our headline revenue of over $3.61 million and an operating profit of $1.52 million represent a commendable operational performance. In a fluctuating interest rate climate, maintaining a healthy operating margin while preserving disciplined cost-to-income benchmarks (63.05%) has ensured that Palerang Financial Services remains on a secure, highly sustainable financial footing. This sustained profitability directly underpins our capacity to fund vital community projects, sponsor local organisations, and deliver value to our shareholders.

Branch footings performance was highlighted by an extraordinary net deposit expansion of over $24.3 million. This underscores the profound trust that local families, primary producers, businesses, and community organisations continue to place in our branches. In an environment marked by economic caution, customers actively turned to Bendigo Bank as a stable, relationship-driven partner for their deposits.

While regional lending conditions remained subdued, resulting in a contraction of $3.91 million due to elevated borrowing costs, cost-of-living pressures, and loan amortization, this was substantially offset by our exceptional deposit footings. Together, our core banking book expanded by more than $20.4 million, clearly demonstrating that our local market share and customer engagement remain vibrant.

Complementing our core footings, our teams at Community Bank Braidwood & Districts and Community Bank Bungendore continued to support clients across non-lending channels, including commercial merchant facilities, general insurance, and wealth referrals. These complementary solutions diversify company revenue while ensuring our customers receive comprehensive financial support under one roof.

Our Dedicated Team

Our strong operational outcomes are a direct reflection of our people. I want to express my sincere appreciation to our branch staff across Community Bank Braidwood & Districts and Community Bank Bungendore. Their daily dedication ensures that our customers receive exceptional, relationship-driven banking that national competitors increasingly retreat from. It is this front-line excellence that enables our company to generate profits and reinvest meaningful capital into community initiatives.

Staff Farewells

- **Craig Pettit (Community Company Manager):** After 24 extraordinary years of dedicated service to Palerang Financial Services and our Community Bank network, Craig announced his well-deserved retirement. Craig played a pivotal role in laying the foundation of our company and shaping its community footprint. We extend our warmest thanks for his legacy of service and wish him every happiness in retirement.
- **Jess D’Arcy (Senior Branch Manager):** After six impactful years with our company, Jess transitioned to an exciting new role within the wider Bendigo Bank network. We are grateful

for her energy, dedication, and service to our customers, and we are delighted that her capabilities will continue to support the broader Bendigo Bank network.

We thank both Craig and Jess for their enduring contributions and wish them every success in their next chapters.

Board Governance & Leadership Renewal

I extend my sincere appreciation to our Board of Directors for their invaluable guidance, encouragement, and stewardship during my transition into the Senior Manager role. The Board's strategic vision, rigorous governance practices, and commitment to the community-first banking philosophy have provided a rock-solid foundation for our team.

Strategic Aims & Looking Ahead

As we look toward the 2026–2027 financial year, our operational priorities are clear:

- **Re-energising Lending Growth:** Implementing proactive lending initiatives and campaigns tailored to local residential, rural, and commercial borrowers seeking a local banking partner who understands their circumstances.
- **Deepening Community Connection:** Continuing to leverage our community funding and sponsorship programs to address local priorities and drive awareness of how banking with us creates shared community wealth.
- **Operational Excellence & Service Agility:** Investing in staff training, compliance rigor, and digital enablement to deliver fast, friendly, and compliant banking experiences.
- **Deepening Customer Advocacy:** Providing proactive financial reviews, fraud and scam awareness education, and tailored banking support to protect and empower our local customers.

I look forward to working closely with our refreshed Board, our talented branch teams, and our shareholders as we build an even stronger future for Palerang Financial Services and the communities we are so privileged to serve.

Jack Agland

Senior Branch Manager
Community Bank Braidwood & Districts and Community Bank Bungendore
Palerang Financial Services Limited

Palerang Financial Services Limited

ABN 83 097 801 100

Financial Report - 30 June 2026

Palerang 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:	Garry Edward Cook
Title:	Non-executive director
Experience and expertise:	Employed as an agricultural consultant and manager for 42 years including 19 years with the Indigenous Land Corporation (Commonwealth Statutory Authority). Member of Rotary Club of Bungendore, committee member of Bungendore Rugby Football Club and Bungendore Community Foundation. Committee member Bungendore Community Foundation. Bachelor of Science (Hons), Graduation Australian Institute of Company Directors and Graduate of Australian Rural Leadership Programme.
Special responsibilities:	Chair, Member of Finance and HR Committee, Member of Bungendore Community Funding Committee, Member of Governance and Risk Committee and Chair of Marketing and Communications Committee
Name:	Rhyll Elizabeth Tozer
Title:	Non-executive director
Experience and expertise:	Chartered Accountant and Registered Tax Agent. Started working career in banking for Westpac Melbourne office. Rhyll's firm recently amalgamated with 4 others, and Rhyll was promoted to Partner, at Best Practice Accounting Group (BPAG), heading up the Sydney Office (which incorporates NSW and the Canberra region). Treasurer for Braidwood Life Centre and the Bungendore Chamber of Commerce. Chaired the Braidwood Community Help fund which dispersed donated funds to affected residents and businesses of the 2019/2020 bushfires.
Special responsibilities:	Treasurer, Chair of Finance and HR Committee
Name:	Richard Elliott
Title:	Non-executive director
Experience and expertise:	Richard has a scientific background and has previously sat on the board of a Credit Union. Richard was the captain of the Majors Creek Rural Fire Service for 10 years. He is involved in several community organisations such as Braidwood National Theatre s355 Committee, Braidwood Film Club and the Historical Radio Society.
Special responsibilities:	Chair of Braidwood Community Funding Committee
Name:	Craig Hinder
Title:	Non-executive director
Experience and expertise:	Craig holds a Bachelor of Science (Aviation), Masters of Business and Technology, and is a Graduate of the Australian Institute of Company Directors. Commencing his working career as a commercial pilot, Craig has since held several positions across the Australian Public Service, currently employed as a director in the Department of Agriculture, Fisheries and Forestry. As a local beekeeper, Craig also runs a small beekeeping business, is a member of the Goulburn Beekeeping Club and mentors several beekeepers in the region.
Special responsibilities:	Chair of Governance and Risk Committee and Deputy chair of board
Name:	Alexandra Rofe
Title:	Non-executive director
Experience and expertise:	Alexandra has extensive experience working in the public sector, engaged in strategic, policy and operational roles, with both business and corporate governance knowledge. In her local community Alex has volunteered with Majors Creek Recreation Reserve, the Majors Creek ANZAC Committee and the Majors Creek Progress Association.
Special responsibilities:	Member of Braidwood Community Funding Committee, and Member of Marketing and Communications Committee

Name:	Christine Ann Allard
Title:	Non-executive director *(appointed 27 November 2025)*
Experience and expertise:	Advanced Diploma of Project Management. Last position prior to retirement: Director, Facilities and Services Division, Australian National University. Past Chair of the Rosary Primary School Council, past member of the ANU University House Board, and past President and Secretary of the Rotary Club of Bungendore. Current member of the Queanbeyan-Palerang Regional Council (QPRC) Seniors Advisory Committee. Skills: Project Management, Strategic and Business Planning, Human Resources, and Asset Management.
Special responsibilities:	Chair as of November 2025 of Bungendore Funding Committee, Member of Finance and HR Committee, and Member of Marketing and Communications Committee

Name:	Jillian May Kuchel
Title:	Non-executive director *(appointed 27 November 2025)*
Experience and expertise:	Jill is an experienced education leader with strong ties to the area, where she has lived and worked for nine years. As Head Teacher at Braidwood Central School, Jill brings strengths in leadership, communication, and wellbeing, alongside a deep commitment to community involvement through a range of local volunteer roles. Her experience working with families, young people, and community groups supports her contribution to strong, connected regional communities.
Special responsibilities:	Chair as of November 2025 of Scholarship Working Group, and Member of Braidwood Funding Committee

Name:	Carmen Louise Byrne
Title:	Non-executive director *(appointed 27 January 2026)*
Experience and expertise:	Carmen brings a strong science and business background, with senior leadership experience across pharmaceutical and medical device manufacturing in Australia and overseas, as well as previous board experience with the Medical Technology Association of Australia. Carmen is actively involved in the local community through the SES, Rural Fire Service, Landcare, and local sporting groups. She is passionate about "profit with purpose" and supporting initiatives that strengthen social participation and community wellbeing.
Special responsibilities:	Member of Governance and Risk Committee, and Member of Braidwood Community Funding Committee

Name:	Andrew Trevor Callan
Title:	Non-executive director *(resigned 5 February 2026)*
Experience and expertise:	BA Agriculture / BA Business (UNE). Certificate IV in Metalliferous Mining Operations (Underground). NSW Underground Mine Supervisor and has been an underground miner for the past 17 years. Five years Project Management. Five years director PFSL. NSW Underground Shot Firer. Farmer and Grazier. Chairperson of Braidwood and District Education Foundation Committee.
Special responsibilities:	Member of Governance and Risk Committee

Name:	Shane Anthony Holness *(resigned 7 August 2025)*
Title:	Non-executive director
Experience and expertise:	Shane is a Project Management Consultant. AIMM;GAICD. Shane has operated a family business since 1999; former director in the APS; former member of the Royal Australian Navy. Other current directorships include being Director and Chair of Western Riverina Community Financial Services Pty Ltd.
Special responsibilities:	Member of Governance and Risk Committee, and Member of Finance and HR Committee

Name:	Dale Josephine Towell *(resigned 7 August 2025)*
Title:	Non-executive director
Experience and expertise:	Dale has a degree in Business Management/Secretarial Studies (Economics Major). Dale has experience working in the Departments of Education, Defence, Regional Development and Infrastructure. Dale is also Secretary, Events Director and Magazine Editor for the Goulburn Motor Club. In addition, Dale is also a self-employed piano teacher and an Authorised Marriage Celebrant. Dale formerly held directorship in the Goulburn Grand Prix Association.
Special responsibilities:	Vice Chair, Chair of Governance and Risk Committee, Member of Community Funding Committee

Company secretary
The Company secretary is Susanne Pluess. Susanne was appointed to the position of Company Secretary on 1 February 2024.

Experience and expertise:	Susi holds an engineering degree in Sustainable Traffic and Town Planning from Austria, with 10 years of experience working in the Planning Department of Zurich Public Transport. Following this, she has gained 8 years of valuable experience in various customer service, sales and bookkeeping roles in rural NSW, bringing a unique blend of economical expertise and customer-centric skills to her current position.

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 $547,589 (30 June 2025: $130,844).

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 7.5 cents per share (2025: 7.5 cents)	99,032	99,032

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.

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 and expected results of operations

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

Environmental regulation

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

Meetings of directors

The number of directors meetings (including meetings of committees of directors) attended by each of the directors of the company during the financial year were:

	Board		Finance & HR		Governance & Risk		Marketing & Communications	
	Eligible	Attended	Eligible	Attended	Eligible	Attended	Eligible	Attended
Garry Edward Cook	11	11	11	10	5	5	8	6
Rhyll Elizabeth Tozer	11	8	11	10	-	-	-	-
Richard Elliott	11	11	-	-	-	-	-	-
Craig Hinder	11	11	-	-	7	7	-	-
Alexandra Rofe	11	9	-	-	-	-	8	7
Christine Ann Allard	7	7	7	6	-	-	4	3
Jillian May Kuchel	7	7	-	-	-	-	-	-
Carmen Louise Byrne	5	4	-	-	5	4	-	-
Andrew Trevor Callan	7	6	-	-	2	2	-	-
Shane Anthony Holness	2	1	2	-	-	-	-	-
Dale Josephine Towell	2	1	-	-	-	-	-	-

Directors' benefits

No director has received or become entitled to receive, during or since the financial year, a benefit because of a contract made by the company, controlled entity or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest except as disclosed in note 25 to the financial statements. This statement excludes a benefit included in the aggregate amount of emoluments received or due and receivable by directors shown in the company's accounts, or the fixed salary of a full-time employee of the company, controlled entity or related body corporate.

Palerang Financial Services Limited
Directors' report
30 June 2026

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

	Balance at the start of the year	Changes	Balance at the end of the year
Garry Edward Cook	1,850	2,000	3,850
Rhyll Elizabeth Tozer	-	-	-
Richard Elliott	9,500	-	9,500
Craig Hinder	-	-	-
Alexandra Rofe	-	-	-
Christine Ann Allard	-	-	-
Jillian May Kuchel	-	-	-
Carmen Louise Byrne	-	-	-
Andrew Trevor Callan	-	-	-
Shane Anthony Holness	2,000	-	2,000
Dale Josephine Towell	-	-	-

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

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

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

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

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

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

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

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

Non-audit services
The company may decide to employ the auditor on assignments additional to their statutory duties where the auditor's expertise and experience with the company are important. Details of the amounts paid or payable to the auditor (Andrew Frewin Stewart) for audit and non-audit services provided during the year are set out in note 27 to the accounts.

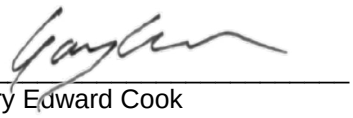
The board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of the non-audit services is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- 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 directors, pursuant to section 298(2)(a) of the *Corporations Act 2001.*

On behalf of the directors



Garry Edward Cook
Chair

15 October 2026

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

Lead auditor's independence declaration under section 307C of the *Corporations Act 2001* to the members of Palerang Financial Services Limited

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 15 October 2026

Jessica Ritchie
Lead Auditor

Liability limited by a scheme approved under Professional Standards Legislation.

Palerang 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	3,581,965	3,551,007
Other revenue		22,705	11,861
Finance revenue		28,722	44,987
Fair value gains/(losses) on financial assets		(21,548)	3,919
Total revenue		3,611,844	3,611,774
Employee benefits expense	7	(1,376,625)	(1,391,622)
Advertising and marketing costs		(130,611)	(61,284)
Occupancy and associated costs		(82,127)	(70,915)
System costs		(47,705)	(46,899)
Depreciation and amortisation expense	7	(107,906)	(106,320)
Finance costs	7	(6,148)	(7,152)
General administration expenses		(340,046)	(356,053)
Total expenses before community contributions		(2,091,168)	(2,040,245)
Profit before community contributions and income tax expense		1,520,676	1,571,529
Charitable donations, sponsorships and grants expense	7	(789,332)	(1,394,881)
Profit before income tax expense		731,344	176,648
Income tax expense	8	(183,755)	(45,804)
Profit after income tax expense for the year		547,589	130,844
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Loss on the revaluation of land and buildings, net of tax		(31,573)	-
Other comprehensive income for the year, net of tax		(31,573)	-
Total comprehensive income for the year		516,016	130,844
		Cents	**Cents**
Basic earnings per share	29	41.47	9.91
Diluted earnings per share	29	41.47	9.91

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

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

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	9	1,017,000	1,329,459
Trade and other receivables	10	315,471	322,216
Investments	11	1,022,071	-
Total current assets		2,354,542	1,651,675
Non-current assets			
Financial assets	14	172,088	174,876
Investment properties	15	14,566	17,808
Property, plant and equipment	12	2,097,086	2,189,095
Right-of-use assets	13	58,263	71,234
Intangible assets	16	143,722	23,050
Total non-current assets		2,485,725	2,476,063
Total assets		4,840,267	4,127,738
Liabilities			
Current liabilities			
Trade and other payables	17	222,406	152,339
Lease liabilities	18	21,628	22,800
Current tax liabilities	8	168,262	24,298
Employee benefits	19	208,084	155,527
Total current liabilities		620,380	354,964
Non-current liabilities			
Trade and other payables	17	96,464	-
Lease liabilities	18	55,338	70,801
Deferred tax liabilities	8	311,440	341,941
Employee benefits	19	6,994	27,365
Total non-current liabilities		470,236	440,107
Total liabilities		1,090,616	795,071
Net assets		3,749,651	3,332,667
Equity			
Issued capital	20	1,062,849	1,062,849
Revaluation reserve		1,021,178	1,052,751
Retained earnings		1,665,624	1,217,067
Total equity		3,749,651	3,332,667

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

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

	Note	Issued capital $	Revaluation Reserve $	Retained earnings $	Total equity $
Balance at 1 July 2024		1,062,849	1,052,751	1,185,255	3,300,855
Profit after income tax expense		-	-	130,844	130,844
Transactions with owners in their capacity as owners:					
Dividends provided for or paid	22	-	-	(99,032)	(99,032)
Balance at 30 June 2025		1,062,849	1,052,751	1,217,067	3,332,667

	Note	Issued capital $	Revaluation reserve $	Retained earnings $	Total equity $
Balance at 1 July 2025		1,062,849	1,052,751	1,217,067	3,332,667
Profit after income tax expense		-	-	547,589	547,589
Other comprehensive income, net of tax		-	(31,573)	-	(31,573)
Total comprehensive income		-	(31,573)	547,589	516,016
Transactions with owners in their capacity as owners:					
Dividends provided for or paid	22	-	-	(99,032)	(99,032)
Balance at 30 June 2026		1,062,849	1,021,178	1,665,624	3,749,651

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

Palerang 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)		3,925,903	3,962,498
Payments to suppliers, employees and community contributions (inclusive of GST)		(3,039,011)	(3,677,562)
Interest received		22,900	47,511
Income taxes paid		(58,999)	(4,448)
Net cash provided by operating activities	28	850,793	327,999
Cash flows from investing activities			
Redemption of/(investment in) term deposits		(1,022,071)	674,878
Payments for property, plant and equipment	12	(16,246)	(31,183)
Net cash provided by/(used in) investing activities		(1,038,317)	643,695
Cash flows from financing activities			
Interest and other finance costs paid		(6,148)	(7,152)
Dividends paid	22	(99,032)	(99,032)
Repayment of lease liabilities		(19,755)	(15,956)
Net cash used in financing activities		(124,935)	(122,140)
Net increase/(decrease) in cash and cash equivalents		(312,459)	849,554
Cash and cash equivalents at the beginning of the financial year		1,329,459	479,905
Cash and cash equivalents at the end of the financial year	9	1,017,000	1,329,459

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

Palerang Financial Services Limited
Notes to the financial statements
30 June 2026

Note 1. Reporting entity

The financial statements cover Palerang 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 Unit 1, 19 Park Lane, Braidwood NSW.

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 15 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 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.

Note 3. Material accounting policy information (continued)

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

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

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

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

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

Note 4. Critical accounting judgements, estimates and assumptions

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

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

Judgements

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

Allowance for expected credit losses on trade and other receivables
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

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

The company has not recognised an allowance for expected credit losses in relation to trade and other receivables for the following reasons:

- The company's trade receivables are limited to the monthly profit share distribution from Bendigo Bank, which is received 10 business days post month end.
- The credit risk (i.e. the risk that a customer will not make repayments) is for Bendigo Bank to bear as long as the company has complied with the appropriate procedures and relevant obligations and has not exercised a discretion in granting or extending credit. The directors are not aware of any such non-compliance at balance date.
- The company has reviewed credit ratings provided by Standard & Poors, Moody's and Fitch Ratings to determine the level of credit exposure to the company.
- The company has not experienced any instances of default in relation to receivables owed to the company from Bendigo Bank.

Fair value measurement hierarchy
The company is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: inputs are based on the quoted market price at the close of business at the end of the reporting period
Level 2: inputs are based on a valuation performed by a third party qualified valuer using quoted prices for similar assets in an active market
Level 3: unobservable inputs for the asset or liability.

Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

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

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

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

In determining the lease term, all facts and circumstances that create an 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

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

Estimation of useful lives of assets
The company determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives or assets that have been abandoned or sold will be written off or written down.

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

Sublease classification
Judgement is required to determine the classification of the sublease as either an operating or a finance sublease.

Employee benefits provision
The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and inflation have been taken into account.

The company uses historical employee attrition rates in determining the probability of an employee, at a given date, achieving continuous employment to be eligible for entitlement in accordance with long service leave legislation.

In the absence of sufficient historical employee attrition rates, the company applies a benchmark probability rate from across the Community Bank network to factor in estimating the probability of an employee, at a given date, achieving continuous employment to be eligible for entitlement in accordance with legislation.

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 franchise agreement is scheduled to expire in June 2031.

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 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 contracts with customers

	2026 $	2025 $
Margin income	3,356,142	3,352,068
Fee income	124,113	107,889
Commission income	101,710	91,050
	3,581,965	3,551,007

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

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

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

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

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

Revenue calculation
The franchise agreement provides that three forms of revenue may be earned by the company which are margin, commission and fee income. Bendigo Bank decides the form of revenue the company earns on different types of products and services. The revenue earned by the company is dependent on the business that it generates.

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

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

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

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

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

Note 6. Revenue from contracts with customers (continued)

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

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

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

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

Note 7. Expenses

Employee benefits expense

	2026 $	2025 $
Wages and salaries	1,141,788	1,184,201
Non-cash benefits	13,810	12,900
Superannuation contributions	143,620	141,626
Expenses related to long service leave	8,318	(8,996)
Other expenses	69,089	61,891
	1,376,625	1,391,622

Depreciation and amortisation expense

	2026 $	2025 $
Depreciation of non-current assets		
Buildings	24,200	35,863
Plant and equipment	24,276	11,783
Motor vehicles	14,610	14,610
	63,086	62,256
Depreciation of right-of-use assets		
Leased land and buildings	15,467	11,602
Leased investment property	3,867	7,087
	19,334	18,689
Amortisation of intangible assets		
Franchise fee	25,486	25,375
	107,906	106,320

Note 7. Expenses (continued)

	2026 $	2025 $
Finance costs		
Lease interest expense	6,148	7,152

Charitable donations, sponsorships and grants expense

	2026 $	2025 $
Direct donation, sponsorship and grant payments	420,911	394,881
Contribution to the Community Enterprise Foundation™	368,421	1,000,000
	789,332	1,394,881

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

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

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

Note 8. Income tax

	2026 $	2025 $
Income tax expense		
Current tax	202,964	48,337
Movement in deferred tax	(19,209)	(2,533)
Aggregate income tax expense	183,755	45,804
Prima facie income tax reconciliation		
Profit before income tax expense	731,344	176,648
Tax at the statutory tax rate of 25%	182,836	44,162
Tax effect of:		
Non-deductible expenses	919	1,642
Income tax expense	183,755	45,804

Note 8. Income tax (continued)

	2026 $	2025 $
Deferred tax liabilities/(assets)		
Property, plant and equipment	367,747	386,486
Financial assets at fair value through profit or loss	(2,458)	2,929
Right-of-use assets	18,207	22,261
Income accruals	1,456	-
Lease liabilities	(19,241)	(23,400)
Employee provisions	(54,271)	(46,335)
Deferred tax liability	311,440	341,941

	2026 $	2025 $
Provision for income tax	168,262	24,298

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	1,017,000	1,329,459

Note 10. Trade and other receivables

	2026 $	2025 $
Trade receivables	299,407	279,328
Other receivables	-	27,229
Accrued income	5,822	-
Prepayments	10,242	15,659
	16,064	42,888
	315,471	322,216

Note 10. Trade and other receivables (continued)

	2026 $	2025 $
Financial assets at amortised cost classified as trade and other receivables		
Total trade and other receivables	315,471	322,216
Less GST refundable from the ATO, included in trade and other receivables	-	(27,229)
Less prepayments, included in trade and other receivables	(10,242)	(15,659)
	305,229	279,328

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

Note 11. Investments

	2026 $	2025 $
Current assets		
Term deposits	1,022,071	-

Note 12. Property, plant and equipment

	2026 $	2025 $
Land - at fair value	692,200	692,200
Buildings - at fair value	1,374,169	1,510,385
Less: Accumulated depreciation	(65,618)	(132,465)
	1,308,551	1,377,920
Plant and equipment - at cost	356,841	340,595
Less: Accumulated depreciation	(275,074)	(250,798)
	81,767	89,797
Motor vehicles - at cost	81,283	81,283
Less: Accumulated depreciation	(66,715)	(52,105)
	14,568	29,178
	2,097,086	2,189,095

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:

	Land $	Buildings $	Plant and equipment $	Motor vehicles $	Total $
Balance at 1 July 2024	692,200	1,402,414	81,766	43,788	2,220,168
Additions	-	11,369	19,814	-	31,183
Depreciation	-	(35,863)	(11,783)	(14,610)	(62,256)
Balance at 30 June 2025	692,200	1,377,920	89,797	29,178	2,189,095
Additions	-	-	16,246	-	16,246
Revaluation decrements	-	(45,169)	-	-	(45,169)
Depreciation	-	(24,200)	(24,276)	(14,610)	(63,086)
Balance at 30 June 2026	692,200	1,308,551	81,767	14,568	2,097,086

Fair value
The fair value of property was determined by external, independent property valuers, having recognised professional qualifications and recent experience in the location and category of the property being valued. Independent valuers provide the fair value of the company's investment property portfolio every 3 to 5 years.

The company's Braidwood and Bungendore properties were independently valued effective 11 October 2023 by Opteon. During the current financial year, an adjustment was made to include property improvements within the carrying amount of the revalued property. These improvements had previously been recognised separately and should have been incorporated as part of the property's 2023 revaluation. As the impact of the correction was not material to prior periods, comparative information has not been restated.

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

Land and buildings	6 to 80 years
Plant and equipment	5 to 40 years
Motor vehicles	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. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Note 13. Right-of-use assets

	2026 $	2025 $
Land and buildings - right-of-use	154,209	151,713
Less: Accumulated depreciation	(95,946)	(80,479)
	58,263	71,234

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

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	80,525
Remeasurement adjustments	2,311
Depreciation expense	(11,602)
Balance at 30 June 2025	71,234
Remeasurement adjustments	2,496
Depreciation expense	(15,467)
Balance at 30 June 2026	58,263

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 18 for more information on lease arrangements.

Note 14. Financial assets

	2026 $	2025 $
Equity securities - at FVTPL	172,088	174,876

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

Opening carrying amount	174,876	162,640
Additions	18,760	8,317
Revaluation increments	-	3,919
Revaluation decrements	(21,548)	-
Closing carrying amount	172,088	174,876

Accounting policy for financial assets
Financial assets are recognised at their market value. Financial assets are derecognised when the rights to receive cash flows have been transferred and the company has transferred substantially all the risks and rewards of ownership.

The company classifies investments 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 15. Investment properties

	2026 $	2025 $
Investment property - sublease - at cost	38,552	37,928
Less: Accumulated depreciation	(23,986)	(20,120)
	14,566	17,808

Accounting policy for investment properties - sublease
The company subleases some of its property. The company initially measures the head lease in accordance with the accounting policies in note 18 and note 13 before separately identifying the sublease portion under AASB 140 *Investment Property*. The investment property is initially measured at cost under AASB 16 *Leases* and subsequently measured at cost less accumulated depreciation under AASB 140. The separately identifiable portion is calculated based on the sublease term and size of subleased area as a percentage of the head lease term and area.

Note 16. Intangible assets

	2026 $	2025 $
Franchise fee	474,517	328,359
Less: Accumulated amortisation	(330,795)	(305,309)
	143,722	23,050

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

	Franchise fee $
Balance at 1 July 2024	48,425
Amortisation expense	(25,375)
Balance at 30 June 2025	23,050
Additions	146,158
Amortisation expense	(25,486)
Balance at 30 June 2026	143,722

Accounting policy for intangible assets
Intangible assets of the company relate to the franchise fees paid to Bendigo Bank which conveys the right to operate the Community Bank franchise.

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

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

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

Asset class	Method	Useful life	Expiry/renewal date
Franchise fee	Straight-line	Over the franchise term (5 years)	June 2031

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

Note 17. Trade and other payables

	2026 $	2025 $
Current liabilities		
Trade payables	22,825	6,575
Other payables and accruals	199,581	145,764
	222,406	152,339
Non-current liabilities		
Other payables and accruals	96,464	-
	318,870	152,339

	2026 $	2025 $
Financial liabilities at amortised cost classified as trade and other payables		
Total trade and other payables	318,870	152,339
Less statutory payables, included in trade and other payables	(47,976)	(20,488)
	270,894	131,851

Note 18. Lease liabilities

	2026 $	2025 $
Current liabilities		
Land and buildings lease liabilities	21,628	22,800
Non-current liabilities		
Land and buildings lease liabilities	55,338	70,801
	76,966	93,601

Reconciliation of lease liabilities

	2026 $	2025 $
Opening balance	93,601	106,669
Remeasurement adjustments	3,120	2,888
Lease interest expense	6,148	7,152
Lease payments - total cash outflow	(25,903)	(23,108)
	76,966	93,601

Lease	Discount rate	Non-cancellable term	Renewal options available	Reasonably certain to exercise options	Lease term end date used in calculations
Park Lane Lease	7.50%	2 years	2 x 2 years	Yes	February 2030

Note 18. 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.

Note 19. Employee benefits

	2026 $	2025 $
Current liabilities		
Annual leave	97,698	73,830
Long service leave	110,386	81,697
	208,084	155,527
Non-current liabilities		
Long service leave	6,994	27,365
	215,078	182,892

Accounting policy for short-term employee benefits
Liabilities for annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Non-accumulating non-vesting sick leave is expensed when the leave is taken and is measured at the rates paid or payable.

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

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

Note 20. Issued capital

	2026 Shares	2025 Shares	2026 $	2025 $
Ordinary shares - fully paid	1,062,849	1,062,849	1,062,849	1,062,849
Bonus shares - fully paid (2:1)	257,570	257,570	-	-
	1,320,419	1,320,419	1,062,849	1,062,849

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.

Note 20. Issued capital (continued)

Rights attached to issued capital

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

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

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

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

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

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 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. 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 7.5 cents per share (2025: 7.5 cents)	99,032	99,032

Franking credits

	2026 $	2025 $
Franking account balance at the beginning of the financial year	580,868	609,431
Franking credits (debits) arising from income taxes paid (refunded)	58,999	4,448
Franking debits from the payment of franked distributions	(33,011)	(33,011)
	606,856	580,868
Franking transactions that will arise subsequent to the financial year end:		
Balance at the end of the financial year	606,856	580,868
Franking credits (debits) that will arise from payment (refund) of income tax	168,838	24,298
Franking credits available for future reporting periods	775,694	605,166

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 23. 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.

Note 23. Financial risk management (continued)

The directors are responsible for monitoring and managing the financial risk exposure of the company, to which end it monitors the financial risk management policies and exposures and approves financial transactions within the scope of its authority.

The directors have identified that the only significant financial risk exposures of the company are liquidity and market (price) risk. Other financial risks are not significant to the company due to the following factors:

- The company has no foreign exchange risk as all of its account balances and transactions are in Australian Dollars.
- The company's franchise agreement limits the company's credit exposure to one financial institution, being Bendigo Bank. The company monitors credit worthiness through review of credit ratings, Bendigo Bank is rated A- on Standard & Poor's credit ratings.
- The company has no direct exposure to movements in commodity prices.
- The company's interest-bearing instruments are held at amortised cost which have fair values that approximate their carrying value since all cash and payables have maturity dates within 12 months.
- The company has no borrowings.

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

	2026 $	2025 $
Financial assets at amortised cost		
Cash and cash equivalents (note 9)	1,017,000	1,329,459
Trade and other receivables excluding prepayments (note 10)	305,229	279,328
Investments (note 11)	1,022,071	-
	2,344,300	1,608,787
Financial assets at fair value through profit and loss		
Financial assets (note 14)	172,088	174,876
Financial liabilities		
Trade and other payables (note 17)	270,894	131,851
Lease liabilities (note 18)	76,966	93,601
	347,860	225,452

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

Accounting policy for financial instruments

Financial assets

Classification
The company measures its financial assets 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.

Note 23. Financial risk management (continued)

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

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

Financial liabilities

Classification
The company measures its financial liabilities at amortised cost.

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

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

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

Interest-bearing assets and liabilities are held with Bendigo Bank and earnings on those are subject to movements in market interest rates. The company held cash and cash equivalents of $1,017,000 and term deposits of $1,022,071 at 30 June 2026 (2025: $1,329,459 and $nil).

Price risk
The primary goal of the company's investment in equity securities is to hold the investments for the long term for strategic purposes.

Equity Price risk
All of the company's listed equity investments are listed on the Australian Stock Exchange (ASX). All unlisted equity investments trade shares through a Low Volume Financial Market. Changes in equity securities value is recognised through profit or loss or other comprehensive income.

2026	% change increase	Effect on profit before tax	Effect on equity	% change decrease	Effect on profit before tax	Effect on equity
Equity securities	10%	17,209	12,907	(10%)	(17,209)	(12,907)

2025	% change increase	Effect on profit before tax	Effect on equity	% change decrease	Effect on profit before tax	Effect on equity
Equity securities	10%	17,487	13,115	(10%)	(17,487)	(13,115)

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.

Note 23. 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.

2026	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	174,430	96,464	-	270,894
Lease liabilities	24,462	65,232	-	89,694
Total non-derivatives	198,892	161,696	-	360,588

2025	1 year or less $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Trade and other payables	131,851	-	-	131,851
Lease liabilities	23,566	86,409	-	109,975
Total non-derivatives	155,417	86,409	-	241,826

Note 24. Fair value measurement

Fair value hierarchy
The following tables detail the company's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

2026	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Equity securities	172,088	-	-	172,088
Land and buildings	-	2,055,000	-	2,055,000
Total assets	172,088	2,055,000	-	2,227,088

2025	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Equity securities	174,876	-	-	174,876
Land and buildings	-	2,055,000	-	2,055,000
Total assets	174,876	2,055,000	-	2,229,876

There were no transfers between levels during the financial year.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

Note 24. Fair value measurement (continued)

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 25. Key management personnel disclosures

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

Garry Edward Cook
Rhyll Elizabeth Tozer
Richard Elliott
Craig Hinder
Alexandra Rofe
Christine Ann Allard
Jillian May Kuchel
Carmen Louise Byrne
Andrew Trevor Callan
Shane Anthony Holness
Dale Josephine Towell

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

Key management personnel
Disclosures relating to key management personnel are set out in note 25.

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

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

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

	2026 $	2025 $
Majors Creek Recreation Reserve - CEF Grant - Renovation of Hall Verandah	5,000	22,500
Braidwood Show Society Inc	15,000	12,000
Gundillion Recreational Reserve	-	100
Braidwood Polocrosse	-	5,000
Braidwood National Theatre; Replacement Unflued Gas Heater	-	7,500
PFSL granted $15,000 to Braidwood and District Education Foundation.	15,000	15,000
Rotary Club of Bungendore sponsorships	5,240	5,240
Bungendore Rugby Union Football Club	5,000	4,564
Bungendore Chamber of Commerce & Industry - Business Forum	10,000	1,500
Braidwood Life Centre - Christmas Hampers	4,800	4,925
Save the Bungendore Preschool	-	1,000,000
Bungendore Bowling & Sports Club	-	37,500
Braidwood Central School	5,000	-

Note 27. Remuneration of auditors

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

	2026 $	2025 $
Audit services		
Audit or review of the financial statements	10,998	9,030
Other services		
Taxation advice and tax compliance services	290	265
General advisory services	5,015	3,340
	5,305	3,605
	16,303	12,635

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

	2026 $	2025 $
Profit after income tax expense for the year	547,589	130,844
Adjustments for:		
Depreciation and amortisation	107,905	106,319
Decrease/(increase) in fair value of equity instruments designated at FVTPL	21,548	(3,919)
Income reinvested in financial assets	(18,760)	(12,235)
Lease liabilities interest	6,148	7,152
Change in operating assets and liabilities:		
Decrease in trade and other receivables	6,745	81,177
Decrease in income tax refund due	-	19,590
Increase/(decrease) in trade and other payables	22,676	(17,024)
Increase in provision for income tax	141,661	24,298
Decrease in deferred tax liabilities	(16,905)	(2,533)
Increase/(decrease) in employee benefits	32,186	(5,670)
Net cash provided by operating activities	850,793	327,999

Note 29. Earnings per share

	2026 $	2025 $
Profit after income tax	547,589	130,844
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	1,320,419	1,320,419
Weighted average number of ordinary shares used in calculating diluted earnings per share	1,320,419	1,320,419

Note 29. Earnings per share (continued)

	Cents	Cents
Basic earnings per share	41.47	9.91
Diluted earnings per share	41.47	9.91

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. (2025: Nil)

Note 32. 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.

Palerang 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;

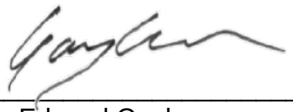
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;

- 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



Garry Edward Cook
Chair

15 October 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 Palerang Financial Services Limited on the audit of the financial report

Our opinion

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

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

What we have audited

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

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

Basis for opinion

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

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

Independence

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

Other information

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

Liability limited by a scheme approved under Professional Standards Legislation.

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

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

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

Auditor's responsibilities for the audit of the financial report

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

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

Andrew Frewin Stewart
61 Bull Street, Bendigo, Vic, 3550
Dated: 15 October 2026

Jessica Ritchie
Lead Auditor

Liability limited by a scheme approved under Professional Standards Legislation.

Community Bank · Braidwood
93-95 Wallace Street,
Braidwood NSW 2622
Phone: 4842 1700
Email: BraidwoodMailbox@bendigoadelaide.com.au
Web: bendigobank.com.au/braidwood

Community Bank · Bungendore
1/33 Ellendon Street,
Bungendore NSW 2621
Phone: 6238 0587
Email: BungendoreMailbox@bendigoadelaide.com.au
Web: bendigobank.com.au/bungendore

Franchisee: Palerang Financial Services Limited
ABN: 83 097 801 100
Unit 1 / 2 Park Lane,
Braidwood NSW 2622
Phone: 4842 1118
Email: admin@pfsl.com.au

Share Registry:
RSD Share Registry
PO Box 30, Bendigo VIC 3552
Phone: 03 5445 4222
Email: shares@rsdregistry.com.au

/communitybankbraidwood

Bendigo Bank

Bendigo and Adelaide Bank Limited ABN 11 068 049 178, AFSL/Australian Credit Licence 237879 A1429506 OUT_49378357 28/09/2026